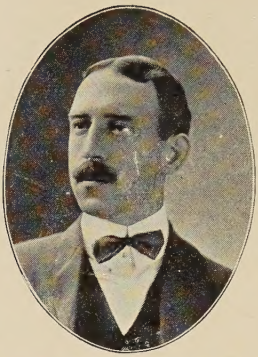
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

FIFTEENTH ANNUAL CONVENTION

INDIANAPOLIS, IND. OCT. 12, 13 AND 14, 1904.



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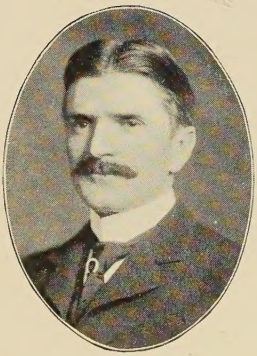

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PROCEEDINGS

OF THE

FIFTEENTH ANNUAL CONVENTION

OF THE

National Association of Life Underwriters

ASSEMBLY ROOM OF THE CLAYPOOL HOTEL,

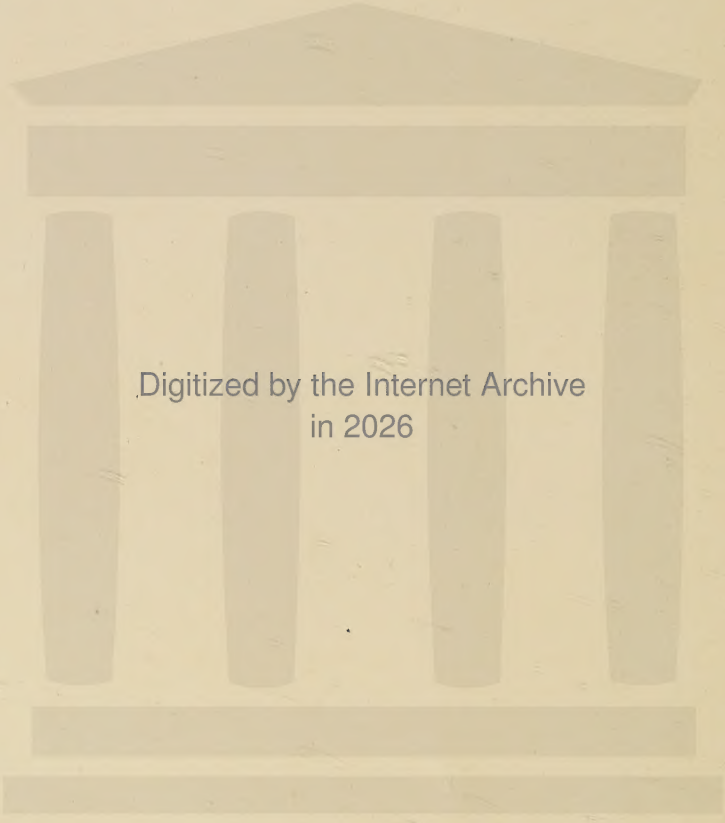
INDIANAPOLIS, IND.

OCTOBER 12, 13 AND 14, 1904.

BOSTON, MASS.:

THE STANDARD PRINTING CO.

1904.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NATIONAL ASSOCIATION OF LIFE UNDERWRITERS.

The fifteenth annual convention of the National Association of Life Underwriters in point of attendance, enthusiasm, character of papers read and discussion of topics, was by all odds one of the best ever held. To Hubert H. Ward, president, was due in a large measure the unqualified success of the convention, elaborate preparations having been made for the event far in advance of the convention. The addresses of welcome by Mayor Holtzman and John J. Price, president of the local association, made everyone feel at home, while that of President Ward was replete with information as to the work of the association during the past year and valuable suggestions for its future progress. Other papers were read by Joseph A. De Boer, president of the National Life of Vermont, Edward J. Sartelle, actuary of the State Mutual, Dr. J. Pierrepont Davis, medical director of the Travelers, Charles W. Scovel, general agent of the Provident Savings, the Hon. M. L. Temple of Iowa, and C. M. Cartwright, editor of the Western Underwriter.

One of the most important and certainly the most practical feature of the convention was the discussion of topics, delegates having been appointed in advance of the meeting to lead these discussions. Probably about one-third of the time was devoted to this feature and it was the consensus of opinion that the committee on topics, of which S. F. Woodman was chairman, had selected most important and timely topics for consideration, thus adding greatly to the interest of the meeting. The amendment to the constitution whereby the entrance fee to the National Association was reduced from $25 to $10 was for the purpose of inducing smaller associations now outside the National fold to become members. The adoption of a carefully formulated plan to enlarge and more vigorously prosecute the work of extension among the life agents means the raising of a considerable amount of money to carry on the work, but it will be cheerfully given.

In the selection of John Dolph as president for the ensuing year the association brings to the helm a man who has always been an earnest and persistent worker in the association movement, and can be depended upon to carry on the work of the National Association along well-defined lines, in which work he will have the cordial support of the vice-presidents and other officers and members of the executive committee.

FIRST DAY'S PROCEEDINGS.

MORNING SESSION.

The fifteenth annual convention of the National Association of Life Underwriters was called to order by President Hubert H. Ward, Wednesday, Oct. 12, at 9:30 a. m., in the assembly room of the Claypool Hotel, Indianapolis, Ind.

President Ward—The fifteenth annual convention of the National Association of Life Underwriters will now be opened with prayer by Rev. Thomas J. Villers of Indianapolis.

Rev. Dr. Villers then delivered the following invocation:

Father of mercies, and God of all grace; Thou with whom are the issues of life; Thou whose blessing makes rich and adds no sorrow therewith, we thank Thee for

the business men of this great country and especially for the business men who are assembled in convention here today. We bless Thee that while seeking their own interests they become a blessing to others in this great work in making provision for old age, and for wives, and for fatherless children, and we pray that Thy tender mercies and Thy rich grace and Thy blessings may be with these men and the companies they represent, more and more. And grant, oh, loving Father, that while we make provision against temporal loss, that we may not forget those things which though unseen are yet present, and so may we remember that if we gain the whole world and lose our own souls it shall profit us not.

Give us as promised us the life which now is and also that life which is to come. We pray for special blessings, for wisdom and grace to be upon these men through the sessions of this convention. Grant that they will do things which may please Thee and which shall bring benediction to those with whom they toil, and as they go

forth from this place, may they go with glad hearts and renewed hopes for the days to come, and when our toil in serving Thee and our fellow men has been accomplished, having served and loved Thee with true hearts, do Thou bring us to the heavenly house and heavenly place where we shall see Thee and shall be transformed by the heavenly vision.

In the name of Christ and our Heavenly Father, Amen.

President Ward—The city of Indianapolis has a reputation throughout the country for its welcome to conventions. It gives me great pleasure this morning to present to you the mayor of this city, the Hon. John W. Holtzman, who will give to us an address of welcome. [Applause.]

Hon. John W. Holtzman—Mr. Chairman and Ladies and Gentlemen: Since I have assumed the duties as mayor of the city of Indianapolis, I have delivered a number of addresses of welcome, and usually with the statement that I am glad, etc. Oft repetition in a matter of that kind sometimes makes the words lose their force, but I want to assure you that it is always a pleasure to me to welcome to the city of Indianapolis representative business men of our country, and I feel that in speaking to this gathering this morning, I am addressing the representative business men of this country. [Applause.]

It is not my purpose, and I know it would not interest you for me to talk about your line of business, because you know more about life insurance and life underwriting than I do. If you did not, you would not be in the business very long. But, I do want to assure you that I am interested in your calling, and I am glad that you are forming organizations of this kind, not only national but local, for the improvement of your line of business. It matters not what pursuit we may undertake, there are those who will abuse the privileges of their calling, but with an organization such as this, these things can be easily remedied, and the highest

standard of moral and business methods enforced by you. [Applause.]

It gives me great pleasure to welcome you to the city of Indianapolis; to welcome you to a city that probably has the unique distinction of being the only largest city of a state that is the capitol of the state. In what I am about to say, I hope you won't think that I am overly boastful, but I believe that I am welcoming you to the greatest and most beautiful inland city in this country, and it may not be amiss for me to state to you that we are the greatest inland railroad center in this country. We have seventeen steam roads entering here now, and nine or ten inter-urban roads. We have a population of something over two hundred thousand, but the inter-urban roads that branch out from this city make the trading population to our merchants about three-quarters of a million. We have about two thousand manufacturing plants here, expending in wages about eleven million dollars annually. And, I want to call your attention to another fact, that there are very few strikes in this city, and this speaks highly not only of our labor, but of our business policy. There is another peculiarity about the city of Indianapolis that we are proud of, there are no great riches here, and correspondingly there is no great poverty. We have no millionaires' row, and we have no slums in the city of Indianapolis. We are a city of churches and schools. We have probably the best school system in the country in the city of Indianapolis. We are a city of large charities; no city in the country takes better care of the unfortunate than does the city of Indianapolis. I am calling your attention to those things that may not be visible to you in your short visit here, but the things that are visible to you are our broad streets with their shade trees; our well paved and well kept streets, and our generous lawns. Aye, and let me call your attention to something else: we pride ourselves in being clean morally as well as physically [applause], and it may be my proud boast to say that games of chance, those things which injure the men whom you employ to do your work, have been driven out, I believe, completely from our midst. [Applause.] We are endeavoring in every way possible to shut out these things, and I do not claim this credit personally, for myself, because I want to say to you that I have the co-operation

and help of the best citizens of the city of Indianapolis in bringing about this work. Now you may say that we are boastful, but if you are from Missouri we can show you we have the goods on us [applause], and I believe that we have the most beautiful and best city in the world. [Applause.] And, above all else when visitors come to us we extend to them a greeting as cordial as any people can give. I believe that our hospitality is as warm as any of that which is proverbially warm, south of Mason and Dixon's line. Aye, I believe the Hoosier welcome is greater and better and sweeter to our visitors than all others. [Applause.]

So I say to you that upon this occasion we extend to you a most cordial Hoosier welcome, hoping that your stay in our midst may be so pleasant that you may carry back with you to your homes such pleasing recollections of the city of Indianapolis that it will be your desire to return again in the near future. And let me say that as far as the chief executive of the city of Indianapolis is concerned, all of the good things that we have are yours, and that it would give me great pleasure to greet you at my office, one and all, should you have the time and opportunity to call. [Applause.]

President Ward—Gentlemen, as you know, our hosts today are the Indiana Association of Life Underwriters, and we will now hear a word of welcome from the president of that association, our good friend Mr. Price. [Applause.]

Mr. J. J. Price—Mr. President and Ladies and Gentlemen: On behalf of the Indiana Association of Life Underwriters I am here this morning to perform a most pleasant duty, and as we have a very enjoyable and quite extensive program before us, it is not my purpose to encroach upon your time with a lengthy address. As the representative of the life insurance agents of Indiana, I extend to you, the officers and delegates of the fifteenth annual convention of the National Association of Life Underwriters, the representatives of the insurance press and the visiting ladies and gentlemen, a most hearty and cordial welcome to the city of Indianapolis, which our late most distinguished and honored citizen characterized as "no mean city." In selecting this city as the place to hold this meeting, we feel that you have not only honored the Indiana Association of Life Underwriters, but the city of Indianapolis and the state of

Indiana as well. We feel sure that your deliberations here will be a continuance of the good work that the National Association has so far acomplished in advancing the cause of legitimate life insurance, and that your visit to our city will be the means of cementing more firmly the spirit of good feeling and harmony which now exists amongst the members of the Indiana Association, which has a larger membership today than ever before since its organization. I want to assure you that every member of the Indiana Association is desirous of doing all he can to make your stay here a pleasant one, so that when you return to your homes in every part of this broad and beautiful land, you will have agreeable memories of your visit to the Hoosier capitol. I again extend to you all a most hearty welcome. [Applause.]

President Ward—We will now have the roll call of delegates by the secretary.

The roll was then called by the secretary. The delegates responding, together with the later arrivals, will be found in the following list marked with a star:

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Expire in 1906—*George A. Brinkerhoff, New York City; Dr. S. L. Fuller, Chicago, Ill.; L. D. Wilkes, St. Paul, Minn.; *J. W. Iredell, Jr., Cincinnati, O.; *E. G. Ritchie, Indianapolis, Ind.; Frank Wooley, Wilmington, Del.; *George H. Olmsted, Cleveland, O.; Stephen F. Woodman, Boston, Mass.; James B. Day, Columbus, O.; John F. Brown, Erie, Pa.; J. W. A. Staudt, Canton, O.

Ex-Presidents.

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F. A. Savage, New England Mut.	W. R. Moore, Travelers.
A. L. McCormick, Prov. Savings.	F. S. Biggs, Mass. Mutual.
F. C. Nicodemus, Conn. Mutual.	C. T. Thurman, Mutual Benefit.

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L. L. Hopkins, Mutual, N. Y.	C. W. Gammons, National, Vt.
J. H. Edwards, National, Vt.	W. A. Buckley, Prov. Savings.
J. S. Cranston, Prudential.	F. A. Hart, Ætna.
F. J. Hammer, Provident L. & T.	G. C. Brown, Jr., Security Mut.
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C. E. Townsend, Equitable.	E. S. Barker, State Mutual.
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L. F. Foss, Berkshire.	F. C. Sanborn, Mass. Mutual.

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*Collin Ford, Ætna.	J. H. Byrley, Fidelity Mutual.
*John Dolph, Metropolitan.	G. C. Dieterly, Prudential.

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J. L. Bunce, Connecticut Mutual.	W. M. Scott, Provident L. & T.

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George B. Smith, Royal Union.
*William O. Cord, Mich. Mutual.

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Frank Sheppard, Provident L. & T.	J. F. Price, New England Mutual.
B. F. Hamilton, Metropolitan.	T. G. Rutty, Connecticut Mutual.
S. B. Morrow, Travelers.	W. W. Knox, Penn Mutual.

ERIE ASSOCIATION OF LIFE UNDERWRITERS.

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F. B. Uhler, Connecticut Mutual.	J. A. Bailey, Reliance.
R. H. Howell, Mutual Benefit.	E. J. Crowell, New York.
W. M. Nash, Ætna.	J. C. Patterson, Mutual.

GRAND RAPIDS LIFE UNDERWRITERS' ASSOCIATION.

Delegates.	Alternates.
E. G. Squires, Prudential.	A. M. Ashley, Union Mutual.
W. H. D. TenBroek, Metropolitan.	S. C. Brock, North American.
*L. B. Hall, Prudential.	A. D. Swain, N. E. Mutual.
Carol Perkins, Mutual Benefit.	H. Z. Ward, Michigan Mutual.
A. B. Donaldson, Ætna.	S. M. Wright, Equitable, Ia.

HUDSON VALLEY LIFE UNDERWRITERS' ASSOCIATION.

John H. Quinlan, Northwestern Mut.	M. H. Linnell, Prudential.
George A. Cantine, New York.	F. A. Hoyt, Northwestern Mutual.
W. B. Quinlan, Northwestern Mut.	J. B. Cammack, New York.
Frances M. Cantine, New York.	W. P. Howard, Prudential.
Clement P. Sadlier, North American.	J. E. Ward, New York.
Le Grand Pellet, Bankers.	William Whitehead, Phœnix Mut.

INDIANA ASSOCIATION OF LIFE UNDERWRITERS.

*D. F. Swain, Northwestern Mutual.	E. L. Killen, Phœnix Mutual.
J. F. McFarland, Mutual Benefit.	*Charles B. Fitch, National, Vt.
*J. F. Habbe, Mass. Mutual.	*Pleasant Bond, Penn Mutual.
*N. J. Dilday, Equitable.	*C. A. Macauley, John Hancock.
*E. E. Flickinger, John Hancock.	John A. Turner, ———
*W. C. Van Arsdal, New York.	F. P. Manley, Prudential.
*D. W. Edwards, Provident L. & T.	F. W. Olin, United States.
E. M. Post, Mutual, N. Y.	*Norman Peck, Mutual Benefit.

IOWA LIFE UNDERWRITERS' ASSOCIATION.

*Sidney A. Foster, Royal Union.	George R. Griswold, State Mutual.
Dr. C. H. Philpott, Des Moines.	Robert J. Fleming, Mutual.
H. G. Everett, Central.	*F. L. Miner, Underwriters Review.
G. H. Shaw, Union Mutual.	Cyrus Kirk, Equitable, Ia.
A. H. Huling, Underwriters Review.	Robert N. Merritt, National.

KANSAS CITY LIFE UNDERWRITERS' ASSOCIATION.

*C. C. Courtney, Mutual Benefit.	C. D. Mill, N. E. Mutual.
C. W. Seidlitz, Mutual.	F. W. Segar, Provident L. & T.
W. B. Henderson, National, Vt.	T. L. Luzier, Pacific Mutual.
I. B. Mapes, Phœnix Mutual.	H. C. Boone, New York.
Fred L. Chesney, State Mutual.	W. P. Motley, Pacific Mutual.

LIFE UNDERWRITERS' ASSOCIATION OF CENTRAL NEW YORK.

F. E. McMullen, Ætna.	Charles Spaith.———
E. R. Putnam, Phenix Mutual.	H. R. Lewis, Union Central.
B. G. Bennett, Northwestern Mutual.	D. F. Power, Manhattan.
Sherwood Wheaton, Mutual, N. Y.	Charles A. Hawley, Prudential.
J. W. Pressey, Penn Mutual.	M. R. Miller, Penn Mutual.
C. M. Henderson, New York.	S. L. Crabbe, Conn. General.
J. V. Alexander, National, Vt.	A. T. Thompson, Michigan Mutual.
F. P. Ely, Home.	K. A. Luther, John Hancock.

LIFE UNDERWRITERS' ASSOCIATION OF CENTRAL MASSACHUSETTS.

Delegates.	Alternates.
George H. Vars, Equitable.	*B. H. Wright, State Mutual.
S. Hamilton Coe, Mutual.	Edward B. Maynard, Equitable.
John E. Mahar, Prudential.	Herbert P. Hopkins, State Mutual.
E. F. Hopkins, State Mutual.	Charles M. Smith, Travelers.
Henry L. Trafford, New York.	Ludwig Johnson, Phœnix Mutual.
Lester V. Bailey, Provident L. & T.	M. G. Ludlow, Metropolitan.
Herbert R. Cummings, Ætna.	Henry E. Townsend, Mutual.

LIFE UNDERWRITERS' ASSOCIATION OF CHICAGO.

*L. Brackett Bishop, Mass. Mutual.	F. L. Morrell, Manhattan.
R. D. Bokum, Mutual Benefit.	L. A. Eliel.
Franklin Wyman, Berkshire.	E. O. Watt.
W. S. Candee, New York.	D. G. Drake, National, Vt.
*D. M. Baker, Pacific Mutual.	C. D. Norton, Northwestern Mut.
Jonathan W. Jackson, Home.	C. J. McCary, Penn Mutual.
*W. P. Crenshaw, Connecticut Mut.	F. C. Goodspeed, Phœnix Mut.
*F. W. Hall, Union Mutual.	A. J. Perry, Provident Savings.
*H. S. Dale, Union Mutual.	E. A. Ferguson, Union Central.
*J. W. Janney, Provident L. & T.	F. W. Ganse, Columbian National.
*Dr. S. L. Fuller, Washington.	C. F. Bullen, Canada.
*E. H. Carmack, State Mutual.	*W. F. Workman, Franklin.
*I. B. Snow, Mass. Mutual.	*F. B. Mason, Ætna.
*T. B. Merrill, Ætna.	W. H. Sale, Pacific Mutual.
Everts Wrenn, State Mutual.	A. B. Newman, Equitable.

LIFE UNDERWRITERS' ASSOCIATION OF NEBRASKA.

*Charles E. Ady, National, Vt.	C. H. Hendricks, National, Vt.
S. W. Noble, New England Mutual.	C. W. Rainey, Mutual Benefit.
Joseph W. Clarke, Germania.	W. F. Pete, Mutual.
John Steele, Northwestern Mutual.	Ray Edmiston, Union Central.
J. H. Mockett, Northwestern Mutual.	C. Z. Gould, Penn Mutual.

LIFE UNDERWRITERS' ASSOCIATION OF NEW JERSEY.

*Jesse C. Greene, Provident Savings.	O. L. Gooding, Northwestern Mut.
*W. I. Hamilton, Prudential.	D. B. Osborne, Prudential.
C. F. McCord, Penn Mutual.	R. B. Cornish, Mutual Benefit.
A. H. Gseller, National, Vt.	E. E. Bice, Pacific Mutual.
F. W. Tasney, Prudential.	John C. Eisele, Equitable.
T. F. Johnson, Mutual.	P. F. Reinmund, Ætna.
A. A. Drew, Mutual Benefit.	James Perry, Prudential.
H. W. Van Sant, Travelers.	Frank M. Orton, Travelers.

LIFE UNDERWRITERS' ASSOCIATION OF NEW YORK.

*Maurice E. Goulden, Penn Mutual.	Tilden Blodgett, Equitable.
J. Carlton Ward, Prudential.	J. H. Robinson, Berkshire.
*Philip H. Farley, Mutual.	Samuel H. Millard, Travelers.
*R. E. Cochran, United States.	T. P. Goodrich, Provident L. & T.
Col. John W. Vrooman, Prov. Savings.	Archibald Arthur, United States.
*George A. Brinkerhoff, Mutual.	A. G. Shepard, John Hancock.
J. F. Makley, National, Vt.	W. A. Nicolay, Ætna.
Seth H. Whiteley, New England.	Theo. E. Lane, Conn. Mutual.
*Moore Sanborn, Security Trust.	W. O. B. Clifford, New York Life.
Edson D. Scofield, Union Central.	J. M. A. Parker, Union Central.
Le Gage Pratt, Mutual Benefit.	H. T. Noyes, Equitable.
*J. A. Jackson, Mutual.	William C. Johnson, Phœnix.

LIFE UNDERWRITERS' ASSOCIATION OF NORTH CAROLINA.

Delegates.	Alternates.
P. D. Gold, Jr., Provident Savings.	
John C. Drewry, Mutual Benefit.	
H. R. Wilcox, Mutual.	

LIFE UNDERWRITERS' ASSOCIATION OF PEORIA, ILL.

*Joseph W. Goudy, Mutual.	Wm. F. Monahan, Metropolitan.
*G. C. Goodfellow, Connecticut Mut.	E. J. B. Hayward, New York.
*George L. Root, Penn Mutual.	William H. Keith, State Mutual.
Harry W. Keith, John Hancock.	E. D. Monroe, Equitable.
James B. Aimer, Prudential.	Edw. Bowser, Provident Savings.

LIFE UNDERWRITERS' ASSOCIATION OF ST. LOUIS.

*J. S. Kendrick, Equitable, N. Y.	C. W. Darby, Mutual Benefit.
*George Benham, Penn Mutual.	E. M. Woolley, Conn. Mutual.
*W. H. Herrick, Provident Savings.	J. S. Poindexter, National, Vt.
*F. N. Cheney, Mutual Life, N. Y.	R. J. Williams, Fidelity Mutual.
W. A. Galentine, Prudential.	J. H. Higginbotham, Metropolitan.
W. J. King, 2nd., Mass. Mutual.	O. K. Clardy, John Hancock.

LIFE UNDERWRITERS' ASSOCIATION OF WESTERN MASSACHUSETTS.

E. O. Sutton, Mutual.	G. P. Mitchell, N. E. Mutual.
W. L. Richards, Mass. Mutual.	E. O. Hibbard, State Mutual.
A. B. Cowles, Mutual Benefit.	C. D. Monroe, Union Central.
W. S. Clark, Travelers.	W. P. Draper, Northwestern Mut.
C. W. Cowles, Mutual Benefit.	Edward Tolman, Berkshire.
G. H. Sutton, Mutual.	P. H. A. Robichaud, Equitable.

LIFE UNDERWRITERS' ASSOCIATION OF WESTERN NEW YORK.

W. F. Wright, Union Central.	F. M. Wheaton, Equitable.
P. M. Bredel, Home.	C. S. Elliott, Travelers.
W. G. Justice, Provident L. & T.	E. C. Fowler, Conn. General.
F. A. G. Merrill, State Mutual.	C. C. Ralph, Pacific Mutual.
H. E. Crouch, Northwestern Mutual.	J. D. McCalmont, Canada.
William J. Robinson, United States.	C. W. Cherrier, Phœnix Mutual.

LOUISVILLE LIFE UNDERWRITERS' ASSOCIATION.

*H. S. Sheldon, Interstate.	Biscoe Hindman, Interstate.
J. C. Davidson, Ætna.	H. R. Moore, Illinois.
J. G. A. Boyd, Prudential.	E. S. Williams, Fidelity Mut.

MAINE LIFE UNDERWRITERS' ASSOCIATION.

*J. W. Fitzpatrick, Mutual.	L. J. Fitzpatrick, Mutual.
J. Putnam Stevens, Mass. Mutual.	E. J. Brackett, Washington.
I. S. Sawyer, New England Mutual.	E. P. Langley, Metropolitan.
H. S. Dyer, New York.	C. F. Dunlap, Mutual Benefit.
B. G. March, Penn Mutual.	I. A. Hayes, Union Mutual.

MICHIGAN LIFE UNDERWRITERS' ASSOCIATION.

*William Van Sickle, Home.	Col. Will A. Waite, Phœnix Mut.
T. F. Giddings, Michigan Mutual.	O. C. Seelye, Mutual Benefit.
*C. A. Stringer, State Mutual.	H. F. Doane, Connecticut Mutual.
W. J. Fischer, Northwestern Mut.	E. H. Riley, Prudential.
*T. H. Bowles, Equitable.	*George H. Beach, Canada.
*C. L. Vieman, John Hancock Mut.	D. A. Johnston, Penn Mutual.
*Nathaniel Reese, Provident L. & T.	

MINNEAPOLIS ASSOCIATION OF LIFE UNDERWRITERS.

I. Kaufmann, Northwestern Mutual.
W. M. Horner, Provident L. & T.
J. E. Meyers, Ætna.
Nelson W. Clark, Mutual Benefit.
J. J. Ahern, Mass. Mutual.
J. G. Purple, Mutual, N. Y.

MINNESOTA LIFE UNDERWRITERS' ASSOCIATION.

George W. Rodenberg, United States.
L. D. Wilkes, Equitable.
J. Watson Smith, Provident L. & T.
F. T. Parlin, Germania.
Philip B. Hunt, Mutual Benefit.
Rukard Hurd, Washington.
C. J. Hunt, New England Mutual.
W. F. Peet, Mutual, N. Y.
T. R. Palmer, Minnesota Mutual.
George Drake Smith, Prudential.

NEW ENGLAND WOMEN'S LIFE UNDERWRITERS' ASSOCIATION.

Miss E. A. Ransom, The Standard.
Miss Julia A. Sprague, Mutual.
Mrs. Florence E. Shaal, Equitable.
Mrs. Stella E. P. Drake, Mutual.
Miss M. G. A. Toland, Mutual.
Dr. S. M. Crawford, Prov. L. & T.
Miss Lucy M. Morrill, Equitable.
Miss Imogene Burnham, Equitable.
Mrs. M. A. Hall, Equitable.
Mrs. M. W. Lawrence, Mutual.

NEW HAMPSHIRE LIFE UNDERWRITERS' CLUB.

R. H. Cheney, Mutual.
Arthur W. Childs, Travelers.
W. S. Jewell, Equitable.
Charles S. Parker, Ætna.
John W. Harmon, Columbian Nat'l.
H. C. Eastman, Prudential.
D. W. Baker, Connecticut General.
F. E. Burns, New York.
J. A. Wellman, National.
L. A. Cheever, Metropolitan.

PHILADELPHIA ASSOCIATION OF LIFE UNDERWRITERS.

*J. E. Durham, Penn Mutual.
James H. Glenn, Mutual Benefit.
H. C. Lippincott, Penn Mutual.
H. W. Littlefield, Phœnix Mutual.
*Frank Read, National, Vt.
*Wm. M. Scott, Provident L. & T.
*George F. Schilling, State Mutual.
Amos Wakelin, New England.
Robt. R. Deardon, Jr., U.S. Review.
Fred D. Doty, United States.
A. M. Funk, Mass. Mutual.
F. H. Garrigues, Penn Mutual.
Charles W. McCue, Royal Union.
A. C. Otis, Union Mutual.
J. W. Schell, New York Life.
*J. H. C. Whiting, Amer. Ex. & Rev.

PITTSBURG LIFE UNDERWRITERS' ASSOCIATION.

*Joseph J. Tillinghast, Mutual Benefit.
*William M. Wood, United States.
*Graham C. Wells, Provident L. & T.
*Chas. W. Scovel, Provident Savings.
Fred G. Brown, Ætna.
Edw. A. Woods, Equitable.
*Lee C. Robens, Reliance.
*William C. Baldwin, Pittsburg L. & T.
*Charles B. Knight, Prudential.
S. L. Fleishman, Reliance.
*Russell A. Clark, Phœnix Mutual.
F. E. Dodson, Pittsburg L. & T.
Daniel J. Dwyer, United States.
William H. McManus, Equitable.
*A. Bert Brown, Ætna.
*A. Fleming McDonald, Reliance.
F. C. Parsons, Pittsburg L. & T.
William A. Zahn, Security T. & L.
F. C. Brittain, Mutual Benefit.
Edmund R. Ward, Phœnix Mutual.
L. Reese Alexander, Prov. L. & T.
Peter P. Dempsey, Prov. L. & T.

TOLEDO ASSOCIATION OF LIFE UNDERWRITERS.

W. C. Longnecker, Mutual Benefit.
G. W. Farley, Equitable, Ia.
C. E. Holt, Mutual.
J. J. Mooney, Michigan Mutual.
*T. J. Stewart, Prudential.
J. F. Atkins, Michigan Mutual.
E. L. Briggs, Prudential.
J. P. McAfee, Union Central.
R. E. Ferguson, Mutual Benefit.

The following members of local associations were also in attendance:

Boston—Winslow Russell, Phœnix Mutual; Morris P. Capen, New England Mutual.

Cincinnati—E. W. Jewell, Union Central; S. M. Brandeberry, Mutual.

Cleveland—Herman Moss, Equitable; John H. Cousins, State Mutual; M. H. Evans, H. B. Burroughs, Jr., Penn Mutual; W. H. Indoe.

Philadelphia—J. Thomas Moore, Provident L. & T.; J. H. Jefferies, Penn Mutual; J. W. Schell, New York.

Portland, Ore.—William Goldman, president.

Insurance Press—C. M. Cartwright, Western Underwriter; P. J. McKian, Argus; F. L. Miner, Underwriters' Review; William H. Reed, Insurance Leader; H. W. Bloomingston, Investigator; W. C. Grigsby, Irving Williams, Dr. H. C. Martin, Rough Notes; Charles A. Jenney, Weekly Underwriter; B. F. Hadley, Insurance World; A. J. Flitcraft, Life Insurance Courant; J. J. Devney, The Life Insurance Educator; C. E. Belcher, The Standard; E. A. Quarles, George H. Robinson, The Insurance Field.

President Ward—The next in order of business is the reading of the minutes of the previous convention.

Mr. William M. Scott—Mr. President, I move you that as the minutes have been published and scattered broadcast, that they be dispensed with at this time.

The motion was seconded and carried.

President Ward—We shall transpose this program a little this morning, and after I have read my paper we shall have the report and recommendations of the executive committee, and the treasurer's report, and the announcements, so that those of our friends who are coming in on the ten-thirty train and those who were to be here at seven-fifty, which latter train must be late, may have an opportunity of hearing President De Boer of the National Life Insurance Company of Vermont. [Applause.]

The president then addressed the convention as follows:

To the Delegates and Guests of the Fifteenth Annual Convention of the National Association of Life Underwriters, Greeting: You, who are here assembled, represent that great body of men in life insurance known as the field force; you represent the agency department of the

life insurance companies of America, and it is undoubtedly conceded by all that the agency department is the most important department of a life insurance company;

you represent that which is probably the most aggressive business on record today; and you certainly represent that which is the greatest business on earth, as to its scope, its character and the volume of business done. Much of the credit for the success of modern life insurance is due to you and the men you here represent.

The life insurance agent has, in the past quarter of a century, been passing through a period of evolution until today we have instances of what we might almost call the perfected agent. Certain it is that the life insurance field force as a body will compare favorably with any body of business or professional men to be found in this country.

You here assembled are interested in this great association movement, and give of your time, your energies and your money that you may help advance its cause, which is that of the upbuilding of the personnel of the agency force and the creating of a code of ethics, by which, in time, we hope all engaged in our calling may work.

You are here assembled for the fifteenth time in annual convention for the purpose of giving serious consideration to those things which affect the welfare of our business.

Were it possible for the shades of some of the founders of life insurance, who went from us a quarter of a century or more ago, to come back and look upon us in this year of our Lord 1904 and see the results which have been accomplished by life insurance they might, after the first surprise over the magnitude of the business had been worn off, express wonderment that there were not more of the life insurance agency force in this country banded together through this association. On the other hand, were they to compare your association at the close of its fifteenth year of existence with life insurance at the close

of fifteen years after the first modern old line life insurance company had been organized, they might very justly pass such approval upon the work you have done as would kindle within your hearts a desire for even greater things for the association movement in the future.

I congratulate you on the work which you have accomplished through this association in the past; I congratulate you on the healthy condition of mind at large which exists at the present time concerning this movement, and I further congratulate you on its possibilities for the future.

I bid you one and all, ladies and gentlemen, delegates and guests, a cordial welcome; and I bespeak, on behalf of the association, your undivided time and attention during the sessions of this convention. Remember that you cannot enthuse others more than you are enthused yourselves, and that if you would carry enthusiasm back to the associations which you here officially represent, you must yourselves be enthusiastic in your support of the work of this convention. May your visit to this city, the metropolis of Indiana, which has sent so many of her illustrious sons into the service of our country, be a most pleasing one, and may you leave with the citizens of Indianapolis a lasting impression of the benefits of this great invention—the most wonderful gift of the nineteenth century—modern life insurance.

One year ago the Baltimore convention saw fit to select as its standard bearer, for the ensuing year, one who had been almost unheard of in your work prior to that convention; one who was untrained for the work before him; one who assumed the duties of the office with fear and trembling, realizing the utter impossibility of being able to outline any plan of procedure which would meet with the approval of all. The nervous tension, following the surprise of election, was such as to make it practically impossible for me to even suggest, at that convention, any plan of action. I found myself, during the first two or three months of my term, simply studying the situation. In fact, I might say that my incumbency of the office has been one of study, rather than accomplishment.

My report, therefore, will touch but briefly upon what has been accomplished during the past year; and, for details, I would refer you to the reports of the executive

committee and the other officers. I shall confine myself chiefly to making certain recommendations, which, from my experiences of the past year, I believe should be made.

The work of the year has been most enjoyable. It has been my privilege and my pleasure, in connection with this work, to visit the home offices of twenty-three of our companies; my reception at these home offices has been most cordial, the officers taking freely of their time to extend to me unexpected courtesies. I was most pleased by the cordial receptions tendered me, and by the kind words expressed, by a number of the officials for the association movement. As a result of these visits, I feel that the home offices are with us in our work and that as we grow in strength and prove to them by our works that our faith is strong they will extend to us a helping hand in our endeavor to uplift the standard of the life insurance agent.

I have visited, during the year, twenty-three of our associations, and attended the meeting of the executive committee held last April in Philadelphia.

I have devoted much time to the extension movement. Fifteen new associations have been organized the past year: Raleigh, N. C.; Milwaukee, Wis.; Denver, Col.; Oklahoma City, O. T.; Montgomery, Ala.; Port Huron, Mich.; Dayton, O.; Rochester, N. Y.; Macon, Ga.; Louisville, Ky.; Mobile, Ala.; Columbia, Tenn.; Ft. Wayne, Ind.; Portland, Ore.; Los Angeles, Cal. Some of these associations are already members of the National Association. They all should be. I have been present at the organization of three of them.

An experiment has recently successfully been made of forming locals, auxiliary to the Maine State Association. President Dyer, of that association, reports four such new auxiliaries, adding a membership of fifty to the Maine State Association. This plan might well be attempted by other state associations.

I have had correspondence with life insurance men in every town in this country, representing a population of 35,000 or more. This correspondence is voluminous, and represents all shades of opinion. I believe that there is enough curiosity abroad in the land, at this time, over this association movement to make it possible to double

the number of associations, in one year's time, could those localities be given a personal visit by the right man. We must remember that there is no enthusiasm in a postage stamp. If we would accomplish results, we should make use of the personal interview, because it carries with it that element most essential to success—enthusiasm. It is far easier to write an application for life insurance by mail than it is to organize an association by mail; and I doubt not that the returns would be more profitable. This being the case, I wish it might have been possible for me to have presented personally to the life insurance men of every locality the benefits of the association movement. This, however, is beyond the power of any one man to do who, while occupying the office of president of this association, attempts to conduct a business of his own.

In my work I have been most ably assisted by members of the executive committee and by officers of a number of local associations. Your second vice-president, Mr. Danford M. Baker, took upon himself the working out in detail of the extension movement in all territory west of Chicago, and he has greatly aided in lightening those peculiar duties which fall to the executive of the association. In fact, in his territory, he has most graciously and most successfully performed the duties of an executive. He has visited six associations.

I feel most deeply indebted for assistance rendered by the chairman of the executive committee, by the secretary, by the treasurer, and by those ex-presidents who have so generously aided me with their experience.

I am under no small obligation to the editors of the insurance journals. I feel that a large part of my work would have met with complete failure had it not been for the courtesies which were universally extended to me by these editors in giving me the use of space for certain announcements and letters, and for the very kind expressions which have so frequently appeared in their editorial columns. With my mistakes they have been charitable; they have worked with me for the upbuilding of this movement, and I feel as though I had been standing shoulder to shoulder with a number of these editors in a most pleasing work; and now, as I step down and out, and as they continue in their positions. I feel

sure they will extend to my successor the same kind help which they have extended to me; and I trust that my successor, whoever he may be, may realize that he has a most valuable ally in these gentlemen of the insurance press.

Perhaps the most fruitful field during the past year for the extension movement has been the South. Today there are in the South a number of localities where the time is ripe for the organization of new associations; and this condition of affairs, I believe, has been brought about very largely by the tone of the editorials which have appeared in certain insurance journals. I deeply regret my inability to make an extended trip through the South, Louisville being the only point visited.

I would recommend to this convention, in the selection of officers for next year, that a vice-presidency go to the South. This would have a tendency to create enthusiasm in that quarter, and thus more widely develop that field.

And now, what of our organization? At the present time the non-membership is far in excess of the membership. The association has its opponents on the outside, and there exists a diversity of opinion on the inside as to the best methods to be employed for extension. Extend we must, for we all strongly believe that the National Association should ever be ready to do missionary work for the upbuilding of our business through the establishment of a code of insurance ethics, created by gentlemen and maintained on the honor of gentlemen. [Applause.]

In numbers there is strength, and we of the association movement, who are in the minority cannot expect to create and enforce this code of ethics upon those who are not of the association, but are in the majority. Therefore, as we beautify our present structure we should also lay deep and broad foundations for a greater one which will, in time, house all honorable men engaged in this business wherever located. Think of what a power in this country the field men of life insurance could be if they were banded together for a common purpose. In order to be great, any institution must have a strong central organization. This is true of political bodies, of business corporations, of life insurance companies, and it must be true of this association movement.

Your organization has passed the days of its infancy;

it is out of its swaddling clothes; it is now able to walk, and can walk alone. In fact, it has grown to be such a healthy infant that it keeps its chief executive on the run during his entire term of office. Some of your former executives have been broken in health as a result of the work they have attempted to do for this growing infant.

The limit seemed to be reached at Baltimore, when several of the older and the more prominent men were compelled to decline the tender of the office of president, because each felt that his health would not permit of the strenuous work absolutely necessary in connection therewith. I have endeavored to reach the field men through a series of articles and letters in the columns of the insurance press, written with a view of creating interest in the association movement in localities where no association exists.

These open letters were followed by mimeograph letters to individual underwriters in those localities, whose names had been furnished me in different ways. From the names furnished we finally got down to a personal correspondence with 155 agents. From this number 33 pledged themselves to undertake the formation of local associations in their own community. The names and addresses of these gentlemen will be handed to my successor, in the hope that he may carry on with them the work which has been begun. At the time this work was undertaken I felt the limitations of the method, and was exceedingly doubtful as to the degree of success it would meet. From these efforts I am more than ever convinced that the time is not far distant when some plan, looking to closer personal contact, must be devised. Probably the time may not yet be ripe, but the necessity is becoming more and more a pressing one.

Has not our work as an association but just begun? Are we not now at the parting ways? Might we not go on indefinitely as we now are—an association of gentlemen interested in the welfare of this business, but an association lacking in that strength which always comes from numbers? Is not the time near at hand when this association must become aggressive in its endeavors to expand?

The question then presents itself as to method. It has been proven that the office of president is a hard one.

No man has any right to accept it if he is not willing to devote the greater part of his time to the office. He must be a man who is willing to create ideas, formulate schemes and attempt experiments, even though by so doing he knows he cannot please all and must make mistakes which will subject him to adverse criticism.

The present scheme of having three vice-presidents to assist the president is feasible only when each convention can find four men willing to make the necessary sacrifice of time and money, and capable of working harmoniously together.

My suggestion would be that this association have in its executive department a president and three vice-presidents, who shall be selected with great care and discrimination, and with a view of geographical location. I believe that to each vice-president should be assigned certain territory, in which he would have, under the president, full charge of the detail matters which are constantly arising in his department, thus to an extent lightening the burdens of the president.

I believe that each association in our national organization should at least once a year be visited by some executive officer, who should not only speak at one of its dinners but should make personal calls on the membership. It is too much to ask that the president should do all of this work, and it is fast becoming a physical impossibility; but, in turn, it is the right of every association to expect that the National Association will have an officer present at some one of its functions to make an address on the association movement. This work, laborious as it is, is but a small part of the work which should be done by the executive department. There is much to be done with the weaker associations, which can only be accomplished by personal calls upon the membership. And there is that greater work—the work of extension. This of necessity falls directly upon the president, who must formulate his plans and then delegate much of the work to his vice-presidents, according to location. The vice-presidents must be ever ready and willing to take up the work so delegated, but even then, assuming that they are all working harmoniously together, they cannot alone do the work expected of them by the men throughout the country who would become members of the as-

sociation movement were they properly approached and urged.

I believe there should be an additional official, whose title I will not attempt to suggest, one who should receive a moderate salary and traveling expenses, one who would be expected to devote his entire time and attention to the extension work, under the direct supervision and guidance of the president. Such an office should not be elective, for it might then be subject to a scramble for the salary, and an incumbent might be elected who would not be in harmony with the president and who would be unwilling to carry out his instructions. If made appointive, the president could make his own selection—one in whom he would have confidence and for whom he would be personally responsible to the association. To the average insurance man, ambitious of future success, such an appointment would be of incalculable value. Successful work on his part in the office would fit him for greater things in his chosen calling.

Details will not be entered into at this time, but I believe some such scheme not only practical and feasible and financially possible, but necessary in the not far distant future.

One year ago you placed in my hands a trust and I feel that I would not be doing my duty were I not to report to you the conclusions which I have reached as a result of the work which I have endeavored to perform. I feel that I would not be faithful to that trust were I not to make these suggestions to you, even were I to know beforehand that every man present in this convention were opposed to the plan which I have outlined. I hesitate to make this suggestion to the convention, for I doubt if the time is now ripe for its consideration. Certainly the plan cannot succeed until a sufficient number of the "wheelhorses" of this association are willing that it should be given a trial; but I do believe, gentlemen, that some aggressive campaign for extension must be devised in the near future, if this association would go on and do the work which I believe it is destined to do. Perhaps these suggestions will cause some of the delegates before me to give this matter of extension serious consideration during the coming year, so that possibly, even at our next convention, a "Moses" may be found with a plan to lead us out of the wilderness.

Whatever method for handling its growth may be devised, one thing is certain, this association movement is going on to success, the highest and best success. Who here today is prophet enough to foretell what it will be fifteen years hence? I do not believe we can any more prophesy, as to the work which it will be doing then, than could our predecessors of twenty-five years ago have prophesied what the life insurance companies would be doing today. This movement has every thing that is encouraging on its side. There is no reason why it should not exist, there is every good reason why it should extend.

Its opponents may be divided into the following classes:

1. A small number who have tried it and found it inadequate to their needs.
2. A very large number who have not tried it and are, therefore, ignorant of its methods.
3. Unprincipled men, who care not for insurance ethics.

These are the men with whom we must deal when we meet opposition. The second class may be easily approached, and should be easily won over. The first class will be harder to handle, but is small in numbers. The third class we do not want in our association, and I predict that the time is not far distant when honorable agents will make it impossible for this class to stay in the business.

There lies with you, gentlemen, banded together through this association, a power which rightly used will make of insurance soliciting a calling as void of offense, as it is now great. Any body of men, capable of doing the deeds done by the life insurance agents in this country in the last few years, is capable of maintaining an organization which, working hand in hand with the companies themselves, can purge this business of that which is reprehensible and make of it the most glorious business ever devised by the hand and brain of man. [Applause.]

President Ward—Our ten-thirty friends are due now, if their train is not late, and we will now listen to the report and recommendations of the executive committee, which will be presented by Mr. Carroll, chairman of that committee.

After the applause which greeted Mr. Carroll had subsided, he read the following report:

Report of Executive Committee.

To the National Association of Life Underwriters: Your committee respectfully presents the following as its annual report, and requests your consideration of the recommendations contained therein:

Since the convention at Baltimore the executive committee has held three regular meetings, one immediately after the adjournment of the convention, for the purpose of organization and outlining plans for the year; the regular mid-year meeting was held at Philadelphia, on April 15 last; the third meeting was held at Indianapolis on October 11. All of these meetings were well attended, the members present showing much interest and enthusiasm in forwarding the work of the National Association.

At the mid-year meeting reports were received from the president, the treasurer and the standing committees; work preparatory to the National convention was completed, and ways and means relative to increasing the interest in and enlarging the membership of the National Association were fully and ably discussed.

That good results have followed this meeting is shown in the number of new local associations formed and the increased membership in the old associations during the past six months.

The members in attendance at the mid-year meeting numbered twenty-two, as follows:

President Hubert H. Ward.

First Vice-President J. Herman Ireland.

Third Vice-President John Quinlan.

Treasurer Eli D. Weeks.

Ex-Presidents—I. Layton Register, E. H. Plummer, Richard E. Cochran, W. D. Wyman, Philip H. Farley.

Members—William G. Carroll, chairman; J. C. Biggert,

A. J. Birdseye, H. W. Balsbaugh, J. D. Boushall, George A. Brinkerhoff, George A. Cantine, Sidney A. Foster, M. H. Goodrich, J. W. Iredell, Jr., E. G. Ritchie, E. O. Sutton, Frank Woolley.

We were favored by having at this meeting President John J. Price of the Indianapolis Association, who made a thorough statement as to the plans his association had formed to help make this convention a success.

President Ward made a complete report, which was full of valuable suggestions as to the manner in which the work of the National Association should be carried on and the interest in the local associations largely increased, which was well received.

During his term there have been organized fifteen new associations, six of which have been regularly admitted to membership in the National Association, and it is expected that the balance of them will be admitted during the coming year. They have all been invited to send representatives to this convention.

President Ward also reports having had the honor of addressing twenty-three local associations, and we are all familiar with the splendid results that have followed his efforts.

Report of Finance Committee.

The report of the finance committee was as follows:

Springfield, Mass., October 8, 1904.

To the National Association of Life Underwriters: The annual report of the treasurer speaks for itself in no uncertain tone. A reasonable year-end balance in the treasury reflects credit upon the business judgment and management of any association.

The question of providing the expenses of that officer upon whom is placed the responsibility of extending the sphere of usefulness of our organization has received attention at the hands of your committee. Our present surplus income appears insufficient. Three ways suggest themselves.

1. Increasing annual dues of local associations. A request for views from some of our most distinguished and experienced members indicates uniform disapproval of this plan. We quote one opinion: "Infant associations find it difficult to enthuse their membership into the necessity of paying the amount required under present rules, and the older asso-

ciations have more or less difficulty in maintaining numerical strength with the present per capita tax imposed."

2. Gradual accumulation of a fund from the yearly balance of our income over carefully watched expenditures, until enough for one year's trial is reached.

3. Subscriptions towards such a fund to be made by those interested and able. We quote an opinion on this plan: "I believe that there are many (general agents and managers) who would be willing to subscribe $50 to $100 each to the promotion of the interests of the National Association."

We would recommend annual consideration of the security of the place of deposit of the funds of the association, and if the inactive portion is considerable, its investment at interest, with proper limitations as to security and availability. Respectfully submitted,

EDWARD O. SUTTON,
Chairman Finance Committee.

Report of Committee on Topics.

Chairman Stephen F. Woodman of the committee on topics presented the following report:

Mr. William G. Carroll, Chairman Executive Committee, the National Association of Life Underwriters, Nos. 504-505 Commonwealth Trust Building, Philadelphia, Pa. Dear Sir: On behalf of the committee on topics I have the honor to submit for consideration of the executive committee as a whole the following topics, that selection may be made therefrom of such as may be deemed worthy of presentation to the next annual convention for discussion in five-minute speeches:

1. Opportunities and Possibilities of the National Association.
2. What Local Associations Have Accomplished.
3. The Duty of the Agent to His Prospect.
4. The Duty of the Agent to His Insured.
5. The Best Method of Effecting Agency Organization.

The discussion of live topics should be one of the most interesting and profitable features of the convention. The time that can be devoted thereto is necessarily so limited—more than one session having rarely been available for the purpose—that it may be worth while to consider whether greater concentration of thought, and consequently more advantageous results, will not be secured by restricting the subjects to be discussed to two or

three. With a larger number the debates are liable, perhaps, to be of a desultory and more or less unsatisfactory character.

It is the judgment of your committee that there should be careful prearrangement for this portion of the convention exercises. It is therefore recommended that earnest, systematic effort be made to secure in advance of the convention pledges to speak from a sufficient number of trained debaters to insure a successful opening for each topic. A few salient thoughts upon a given subject, well arranged and briefly and forcefully put, will be pretty certain to provoke debate, and thus accomplish the object sought.

Respectfully submitted for the committee on topics,

(Signed) STEPHEN F. WOODMAN,
Chairman.

This report was adopted as a whole, and in accordance with the usual plan the several topics will be taken up in the regular order for discussion. It is hoped that a large number of delegates will participate and make this one of the most interesting features of the convention.

Report of Committee on Prize Essays.

Mr. Charles E. Ady of Omaha, chairman of the committee on prize essays, submitted his report, as follows:

Topic for the essays to be submitted in competition for the Calef cup and Williams vase, "The Bounds of Competition."

Committee of award: Miles M. Dawson, Esq., of New York, chairman; Hon. Gilbert M. Hitchcock, editor and proprietor of the Omaha "World-Herald"; Hon. Frank H. Gaines of Omaha.

The rules governing the contest are as follows:

1. The essays are limited to one thousand words each.

2. As many members of local associations may join in the competition as such organizations may select.

3. Each essayist will place his name in a sealed envelope bearing a number corresponding to the number on the envelope containing his essay, and forward both envelopes in one enclosure to Fred B. Mason, secretary, No. 840 Tribune Building, Chicago, Ill., not later than Aug. 1, 1904.

4. The writer of the essay adjudged to be of highest excellence will receive the Calef loving cup, as custodian of the same for his association,

and it will bear his name and that of his association, together with the date of its presentation.

5. The cup will be held by him for his association until the succeeding annual meeting of the National Association.

6. The writer of the essay adjudged to be second in merit will receive the Ben Williams vase, under the same conditions of holding as obtain in connection with the first prize.

7. Should the association for which either prize is held dissolve or withdraw from the National Association, the prize shall thereupon be returned to the executive committee of the National Association.

8. All essays submitted in competition shall become the property of the National Association, with the right of publication.

Mr. J. W. Fitzpatrick, chairman of the committee on transportation, as usual has performed his work well. It is due to his efforts that we were able to secure the reduced rate of one and one-third fare to and from this convention.

The committee on statistics, through its chairman, Mr. J. W. Iredell, Jr., of Cincinnati, has made a full and comprehensive report which has been printed in separate form, and will be distributed to the delegates at this meeting.

While at Philadelphia, the members of the executive committee were the guests of the Philadelphia Association at a banquet given in their honor, at which were delivered able addresses pertinent to the business and the occasion. The Philadelphia Association appreciated the many expressions of satisfaction from members of the committee.

At the convention in Baltimore it was recommended that a uniform date, falling soon after the opening of the calender year, should be adopted for the annual meeting of the local associations, in order to facilitate the work of the secretary of the National Association and the chairman of the committee on statistics in the annual compilation of the statistics of the National Association.

Certain associations have already complied with this request, and it is again recommended that all those who have not be instructed to do so during the coming year.

The work of the committee on statistics is of vital importance to the National Association, and it should be given all the help possible in having prompt and proper reports from the secretaries of the local associations.

In accordance with the method adopted last year, it is recommended that the National Association assume the publication and sale of the reports of this convention. Our experience during the past year has shown that the association has made a profit from the sale of the reports of the Baltimore convention, and we believe that, in view of our increased membership, we can do even better this year.

It is essentially necessary that these reports be printed in book form in order to perpetuate the work of this convention and keep a continuous record of the National Association.

It is also recommended that the delegates be invited to subscribe for these books during the convention, at the usual price of one dollar ($1) per copy, it being our confident belief that the cause of life insurance is enhanced when these books are in the hands of active life insurance representatives throughout the country.

It is our sad duty to announce the death of Mr. W. H. S. Whitcomb of Burlington, Vt., and of Mr. W. G. Day of St. Louis, members of the executive committee. They were both faithful and efficient members, courteous and honorable gentlemen. We will miss them very much in the councils of the executive committee.

It is recommended that a committee be appointed to draft resolutions in honor of the memory of these gentlemen, to be spread upon the minutes of this convention, and notification of our action sent to their respective families.

The past year has been one of substantial progress for the National Association of Life Underwriters, due in a great measure to the excellent work of President Ward, in which he had the able assistance of Vice-President Baker, the ex-presidents and members of the executive committee. We are indebted to these gentlemen for their unselfish devotion to the great cause as represented by your National body.

It is also fitting to recognize the great value the insurance journals have been to the National Association. Their columns have been freely given whenever the interests of the association could be advanced or a service to life insurance rendered.

Upon this anniversary occasion we have, as insurance

men, many things for which to be thankful. Since the organization of the National Association we have witnessed a decided improvement in the character of our business and the methods employed in connection therewith. This has resulted in the establishment of a higher code of ethics and brought us into closer sympathy in many ways for the uplifting and dignifying of our business. In every part of this broad land, wherever life insurance associations exist, the public appreciation of life insurance has been more clearly demonstrated. Those of the best thought and judgment have given expression to their confidence, all of which we believe to be the outgrowth of the sentiment engendered through these associations.

Respectfully submitted,
WILLIAM G. CARROLL,
Chairman of the Executive Committee.

Report of the Committee on Statistics.

To the Executive Committee of the National Association of Life Underwriters: Gentlemen, after carefully examining the reports of the local associations, your committee submits the following:

Members of local associations, 1904	1,698
Members of local associations, 1903	1,585
Gain	113
Attendance (approximate), 1904	829
Attendance (approximate), 1903	774
Gain	55
Regular meetings, 1903	229
Regular meetings, 1904	210
Loss	19
Managers and general agents members, 1903	780
Managers and general agents members, 1904	488
Loss	292

Referring to the last three items given above, will say we presume the figures are not exact, because the secretaries of several of the associations have not made reports in full, having failed to state how many regular meetings were held, how many were present, etc. In-

stead of answering the qustions categorically, the answers were "fair," "quite a number," "don't know," etc. Without full reports from the local associations your committee cannot present a satisfactory statement so far as statistics are concerned. The questions referred to are as follows:

3—Present Membership: Active..... Associate.....

A—Do you admit others than general agents and managers to membership?

B—How many general agents or managers are members?

C—How many general agents or managers are not members?

5—How many regular meetings have you held during last year?

A—State time of meeting (date and hour).

B—What is the character of your meetings aside from regular business?

C—Is there a good degree of interest manifested?

D—State in figures approximate average attendance at regular meetings.

The associations number two more than when last report was made.

New associations: Dayton (Ohio) Association of Life Underwriters, Life Underwriters' Association of Grand Rapids (reorganized), Life Underwriters' Association of Central New York, Life Underwriters' Association of North Carolina, The Louisville Association of Life Underwriters. The Association of Life Underwriters of Western Kansas was partially organized, but on account of lack of interest on the part of the local agents did not complete the organization.

The following new associations have been organized since the October, 1903, meeting, but have not as yet been admitted to membership in the National Association: Milwaukee, Wis.; Denver, Colo.; Oklahoma City, O. T.; Montgomery, Ala.; Port Huron, Mich.; Macon, Ga.; Mobile, Ala.; Columbia, Tenn.; Ft. Wayne, Ind.; Portland, Ore., and Los Angeles, Cal.

Associations disbanded: Life Underwriters' Association of District of Columbia, The East Ohio Association of Life Underwriters, Canton, Ohio.

We are pleased to say the reports indicate that there has been a great degree of interest manifested in a large majority of the associations, and that the social features of good fellowship continue to prevail. We quote below

answers to some of the questions contained in the annual reports of the associations:

Question No. 9.—Have there been any legal proceedings of importance in your state bearing in any way on life insurance interests?

Baltimore.—Two local, irresponsible, so-called life insurance companies forced into the hands of receivers, through the influence of the Baltimore Life Underwriters' Association. One violation of the anti-rebate law now pending before the courts.

Grand Rapids.—Supreme court has held that a policy sold on a rebate is invalid, and the state commissioner of insurance has made the decision public, warning all persons against purchasing in that way.

North Carolina.—A supreme court decision that statement of general agent bound the company.

Pennsylvania.—Attorney-general of Pennsylvania is of opinion that board contracts are illegal and a fraud upon the general membership of the company.

Question No. 10.—Has your association passed resolutions or taken any action during the past year which you deem of interest?

Boston.—At present time considering ways and means of suppressing rebating through the executive committee.

Cleveland.—Set aside $150 from the treasury and secured contributions from many of the companies and their local representatives to establish a fund for the prosecution of rebaters.

Grand Rapids.—Contract has been entered into between the managers to the effect that if one hires the agent of another, he must first pay the indebtedness of the agent. A list of agents who are in debt to any manager is filed with the secretary of the association, and can be secured from him by any member intending to hire an agent of another company.

[A similar agreement was made by the members of the Pittsburg Association several years ago, the results of which have been very satisfactory.]

Indianapolis.—By-laws revised March, 1904, limiting membership to agents of companies which have been on a legal reserve basis for ten years or more.

Detroit.—Committee was appointed to confer with

public school officials with reference to high school instruction in life insurance.

New Hampshire.—Have discussed the advisability of agents working under general agents or managers, giving a report to such general agents or managers, of all business brokered with other companies, and opinion prevails that the general agent, through whom the business was placed, should be required to give an account of the business placed with him to the general agent in whose employ the party is working.

New York City.—Passed resolutions endorsing the action of the Equitable Life in stating that on and after March, 1904, they will issue an order forbidding their agents to sell an Equitable policy to replace any other policy, either in the Equitable or any other company, and believing it to be a good step to eradicate the evil of "twisting," invite all the other companies to promulgate the same rule.

The reports from a number of associations indicate that the campaign against rebating is assuming larger proportions. The insurance commissioners of several states have taken up this matter, and if their efforts meet with success, much will be done towards the extermination of the rebater.

We have again included in our report extracts from the late C. M. Ransom's historical paper, read at Milwaukee, September, 1897, entitled: "Origin and Growth, Present and Future of Life Underwriters' Associations." Also the chronological record of our association, which, we believe, will be interesting reading to those who are not subscribers for the annual reports.

Respectfully submitted,
J. W. IREDELL, JR.,
JAMES C. BIGGERT,
L. D. WILKES.
C. C. COURTNEY.

HISTORICAL.

Extracts from Col. Ransom's paper, Read at Milwaukee, September, 1897.

Origin and Growth, Present and Future, of Life Underwriters' Associations.

I cannot better introduce my remarks than by saying that the first life underwriters' association was organized

in Cincinnati, O., in 1872, at my instigation, as stated in the Cincinnati Enquirer in a report of a banquet extended to the executive committee of the National Association of Life Underwriters by the Cincinnati Association April 22, 1897. The idea of association among life agents was first suggested to me in 1870 by the demoralized condition of the agency business in Cincinnati and elsewhere. It was not until 1872, however, that the efforts expended in trying to induce agents to organize were successful. During that year the agents of Cincinnati, realizing that something should be done to overcome demoralization, got together and launched the Cincinnati Association of Life Underwriters. As stated above, this association was the first of its kind, and in its initiatory stages bid fair to be productive of much good to the business of life insurance. Later in that year the example of the Cincinnati agents was followed by Cleveland agents, and the Life Underwriters' Association of Cleveland was formed.

In 1873 the two associations consolidated under the name of the Ohio Association, and existed until 1876.

In April, 1873, an association was organized at St. Joseph, Mo., called the Life Underwriters' Association of St. Joseph, Northwestern Missouri, and Donipan County, Kansas. This association existed for only a short time.

For the facts in connection with this early record, I have refreshed my memory by reference to the files of the Baltimore Underwriter, which was then published by the firm of Bombaugh & Ransom.

The National Association of Life Underwriters—Chronological Record of Events.

1890—June 18,19. National Association of Life Underwriters organized at Parker House, Boston, with fourteen associations as members, viz: Baltimore, Boston, Chicago, Cleveland, Nebraska, New York, Western New York, Maine, Michigan, New Hampshire, Philadelphia, Pittsburg, Providence, and Vermont. C. M. Ransom, honorary member. Officers elected: President, George N. Carpenter; secretary, E. H. Plummer; treasurer, William Ratcliffe; chairman of executive committee, Ben S. Calef. Thursday evening—Complimentary dinner by the Boston Association at the Parker House, D. N. Holway, presiding.

October 28. Meeting of the executive committee at Hotel Brunswick, New York; eighteen present. Banquet in honor of the committee by the New York Association at Delmonico's. The following associations were admitted to membership during the year (1890-91): Cincinnati, Connecticut, Indiana, Kansas City, District of Columbia, the Carolinas, Minnesota, and Wisconsin (8).

1891—March 28. Meeting of the executive committee at Hotel Rennert, Baltimore, eleven present. Banquet in honor of the committee by Baltimore Association at Merchants Club.

June 16. Delegates en route to annual convention at Detroit entertained by the Cleveland Association.

June 17, 18. Second annual convention at Hotel Cadillac, Detroit, President George N. Carpenter presiding. Papers by George P. Haskell and Charles H. Ferguson. Officers elected: President, Charles H. Raymond; secretary, E. H. Plummer; treasurer, William Ratcliffe; chairman of executive committee, C. E. Tillinghast. Thursday evening—Banquet at Hotel Cadillac by the Michigan Association, W. T. Gage presiding.

October 28, 29. Meeting of executive committee at Hotel Brunswick, New York; nineteen present. Banquet by New York Association, evening of the 29th, at Delmonico's. The following associations admitted to membership during the year (1891-92): Kentucky, New Jersey, Kansas, Eastern New York, Louisiana, Tennessee, Alabama, and Texas (7).

1892—May 25, 26. Meeting of executive committee at Hotel Wellington, Chicago; fifteen present. Banquet by Chicago Association, evening of 26th, at Hotel Wellington.

September 21, 22, 23. Third annual convention at Carnegie Music Hall, New York, President Charles H. Raymond presiding. Papers by George N. Carpenter and Joseph Ashbrook. Officers elected: President, C. E. Tillinghast; secretary, E. H. Plummer; treasurer, William Ratcliffe; chairman of executive committee, Ben S. Calef. Friday evening—Banquet by New York Association at Delmonico's, Tilden Blodgett presiding. The following associations admitted to membership during the year (1892-93): Georgia, Iowa, and Virginia (3).

1893—April 5, 6. Meeting of the executive committee,

Continental Hotel, Philadelphia; fourteen present. Banquet given by the Philadelphia Association, April 6, at the Continental Hotel.

September 5. Meeting of the executive committee at Hollenden Hotel, Cleveland; thirteen present.

September 6, 7, 8. Fourth annual convention at Chamber of Commerce Assembly Rooms, Cleveland, President C. E. Tillinghast presiding. Papers by Henry W. Smith, editor United States Review, and C. E. Staniels. Officers elected: President, Charles H. Ferguson; secretary, E. H. Plummer; treasurer, William Ratcliffe; chairman of executive committee, George P. Haskell. Banquet by the Cleveland Association, evening of September 8, at the Hollenden Hotel, F. A. Kendall presiding. The following associations, by reports to date, admitted to membership during the year (1893-94): Alabama, Denver, District of Columbia, Tennessee, and Topeka (5).

1894—March 14, 15. Meeting of executive committee at Monongahela House, Pittsburg; fourteen present. Banquet by the Pittsburg Association on evening of March 15 at Monongahela House.

June 20, 21, 22. Fifth annual convention at Recital Hall, Auditorium Building, Chicago, Ill., President Charles H. Ferguson presiding. Addresses by Hon. Willard Merrill and Charlton T. Lewis, Esq. Paper by George W. Phillips. Officers elected: President, E. H. Plummer; secretary, George F. Hadley; treasurer, C. A. Weidenfeller; chairman of executive committee, George P. Haskell. Evening of June 21—Banquet at the Auditorium given by the Chicago Association, Vice-President Charles B. Soule presiding, owing to the illness of President John K. Stearns.

1895—March 20, 21. Meeting of the executive committee at the Shoreham House, Washington, D. C.; sixteen present. Banquet by the Association of the District of Columbia at the Shoreham House, evening of March 21.

October 23, 24, 25. Sixth annual convention at New Central Drawing Room, Philadelphia, Pa., President E. H. Plummer presiding. Addresses by Hon. Samuel R. Shipley, president Provident Life & Trust Company, and Emery McClintock, actuary Mutual Life Insurance Company. Papers by John K. Stearns and James L. Johnson. Officers elected: President, Ben S. Calef; secretary,

L. D. Drewry; treasurer, Eli D. Weeks; chairman executive committee, Ben Williams. Evening of October 25—Banquet at the Continental Hotel, given by the Philadelphia Association, President E. H. Plummer presiding.

1896—April 23, 24. Meeting of the executive committee at the Plaza Hotel, New York City; seventeen present.

On the evening of April 23, the executive committee attended in a body the meeting of the New York Association at Muschenheim's Arena.

October 7, 8, 9. Seventh annual convention at Banquet Hall of the Arlington Hotel, Washington, D. C., President Ben S. Calef in the chair. Addresses by William T. Standen, actuary United States Life Insurance Company, and H. R. Hayden, editor of the Weekly Underwriter. Papers by Henry C. Ayers and James W. Janney. Officers elected: President, David S. Hendrick; secretary, E. W. Christy; treasurer, Eli D. Weeks; chairman of executive committee, Ben Williams. Banquet by the Association of the District of Columbia, evening of October 8, at the Arlington Hotel, Simon Wolf presiding.

1897—April 21, 22. Meeting of the executive committee at the Burnet House, Cincinnati; eight present. Banquet by the Cincinnati Association, evening of April 21, at the Burnet House.

September 15, 16, 17. Eighth annual convention at Masonic Hall, Milwaukee, Wis., President David S. Hendrick in the chair. Addresses by J. A. De Boer, actuary of the National Life Insurance Company, and C. A. Loveland, actuary of the Northwestern Mutual Life Insurance Company. Papers by Col. C. M. Ransom and Charles N. Pickell. Officers elected: President, Thomas H. Bowles; secretary, E. W. Christy; Treasurer, Eli D. Weeks; chairman of executive committee, Ben Williams. Banquet by the Wisconsin Life Insurance Agents' Association, evening of September 18, at Hotel Pfister, Harry S. Fulton presiding.

1898—February 16, 17. Meeting of the executive committee at the Bates House, Indianapolis; six present. Owing to serious illness, Ben Williams, chairman, was not able to be present. Banquet by the Indianapolis Association, evening of February 16, at the Bates House.

August 17, 18, 19. Ninth annual convention at Century Hall, Minneapolis, Minn., President Thomas H.

Bowles in the chair. Addresses by F. C. Oviatt of the Philadelphia Intelligencer, and Judge B. M. Koon of Minneapolis. Paper by D. N. Holway of Boston. Officers elected: President, Richard E. Cochran; secretary, E. W. Christy; treasurer, Eli D. Weeks; chairman executive committee, I. Layton Register. Banquet by the Minneapolis Association, evening of August 19, at the West Hotel, I. Kaufmann presiding.

1899—February 15, 16. Meeting of the executive committee at the Continental Hotel, Philadelphia; eleven present. Banquet by the Philadelphia Association at the Union League Club, evening of February 16.

July 11. Meeting of the executive committee was held at the Hotel Iroquois, Buffalo, New York, Mr. I. Layton Register, chairman, in the chair; fifteen members present.

July 12, 13, 14. Tenth annual convention of the association was held at Buffalo, in the hall of the Woman's Educational and Industrial Union, which was especially and beautifully decorated for the occasion. More than one hundred delegates were present; Mr. Richard E. Cochran, president, of New York City, presided. Interesting and instructive papers were read by the following well-known gentlemen: Mr. George E. Ide, president of Home Life, subject, "The Life Underwriter"; Dr. J. A. Fowler, editor of the American Exchange & Review, Philadelphia, subject, "The Premium Dollar"; Hon. Charles W. Dayton of New York City, subject, "True Life Insurance"; Mr. L. Brackett Bishop of Chicago, subject, "The Business of Life Insurance"; Hon. John M. Pattison, president Union Central Life Insurance Company, Cincinnati, subject, "The Dignity of Life Insurance." Officers elected: President, James L. Johnson, Springfield, Mass.; secretary, E. W. Christy, Cleveland, O.; treasurer, Eli D. Weeks, Litchfield, Conn. The Life Underwriters' Association of Western New York entertained liberally; the banquet at the Elliott Club was a grand affair.

1900—April 23. The executive committee met at Hadden Hall, Atlantic City, N. J. Morning, afternoon and evening sessions were held, and many important business propositions were submitted and discussed. Chairman I. Layton Register presided, twelve members of the

committee and ex-President Thomas H. Bowles of Milwaukee, were present.

September 11, 12. The eleventh annual convention was held at Saratoga Springs, N. Y. Headquarters were at the United States Hotel, and sessions were held in the Town Hall, which was courteously tendered by the municipal authorities. Over one hundred delegates responded to the roll call. Quite a number of delegates and other prominent life underwriters arrived later.

The convention was called to order by the president, James L. Johnson; Rev. Dr. Carey of Saratoga led in prayer. The mayor, Hon. John Foley, extended a warm and hearty welcome.

After the address of the president, Mr. Charles A. Hewitt, Chicago, editor Insurance Post, delivered a very eloquent address, subject, "Your Services to the World." The following papers were read: Oscar B. Ireland, actuary of the Massachusetts Mutual Life, subject, "Indestructible Truths: Do Two and Two Always Make Four?" John M. Holcombe, vice-president Phœnix Mutual Life, subject, "An Element in the World's Evolution." Presentation speeches for the prize essays were made by W. G. Carroll, president Philadelphia Association, and Dr. J. S. Bloomingston, editor of the Investigator. Officers elected: President, I. Layton Register, Philadelphia; secretary, Fred B. Mason, Chicago; treasurer, Eli D. Weeks, Litchfield, Conn. Banquet at United States Hotel.

1901—May 7. The executive committee met at Hotel Manhattan, New York City; present, I. Layton Register, president; Fred B. Mason, secretary; Eli D. Weeks, treasurer; S. S. Day, George A. Cantine, W. G. Carroll, J. A. Goulden, James L. Johnson, W. H. S. Whitcomb, J. W. Fitzpatrick, George H. Sutton, B. F. Ess., E H. Plummer, Richard E. Cochran, H. S. Fuller, S. F. Woodman, chairman. Reports from various committees were submitted. R. B. Moyer and William DeM. Hooper appeared before the committee, presenting information concerning the creation of a reference bureau. The committee was handsomely entertained by Col. John W. Vrooman at the Union League Club, and also by the New York Association.

September 11, 12, 13. The twelfth annual convention

was held in the city of Portland, Me. Headquarters were at the Falmouth Hotel, and the sessions of the association were held in the reception rooms of the City Hall, kindly tendered by the city authorities. A hearty welcome was extended to the officers and delegates by the mayor of Portland, Col. F. E. Boothby.

The addresses of Prof. William P. Stewart of the Mutual Life, and James H. Hyde, Esq., vice-president of the Equitable Life, were well received and fully appreciated.

On account of the serious illness of President William McKinley, the banquet was omitted.

April 9. The executive committee held its mid-year session in Washington, D. C. The following were present: Stephen F. Woodman, chairman; W. D. Wyman, president National Association; I. Layton Register, ex-president; Richard E. Cochran, ex-president; E. H. Plummer, ex-president; Eli D. Weeks, treasurer; H. S. Fuller, J. W. Fitzpatrick, J. A. Goulden, W. H. S. Whitcomb, J. W. Iredell, Jr., Philip H. Farley, Charles E. Ady, J. W. Harmon, F. A. Kendall, J. C. Biggert, L. D. Wilkes, A. J. Birdseye, J. Herman Ireland, John F. Makely.

1902—October 15, 16, 17. The thirteenth annual convention was held at Cincinnati, O. Headquarters were at the Grand Hotel. The attendance was exceptionally large and the members most enthusiastic, one hundred and sixty-four, representing some thirty-one associations, responding to the roll call. President Wyman, in his usual dignified but gracious manner, opened the proceedings. Acting Mayor Christie and John Dolph, president of the local association, extended a hearty welcome to the delegates. The first session was held in the convention hall of the Grand Hotel, but the large audience necessitated more commodious quarters, and the convention adjourned to the hall of the Y. M. C. A., where all its subsequent sessions were held. The convention was one of the most important ever held in point of attendance, topics discussed, and papers read, all of the latter showing much thought in their preparation.

After the address of the president, the following papers were read: Dr. Charles L. Davis, medical director of the Union Central Life Insurance Company, subject, "The Medical Director and the Life Agent." Mr. William M. Scott of Philadelphia, subject, "Community of Interest."

Mr. Franklin Webster, editor of The Insurance Press, subject, "The Age of Insurance." Mr. Haley Fiske, vice-president of the Metropolitan Life Insurance Company, subject, "The Relations of the Agency Force to the Public." Dr. S. L. Fuller of Chicago, subject, "1867-1902."

The members of the convention and guests, to the number of 250, assembled in the fine parlor of the Grand Hotel, Friday evening, at 6 o'clock, and the banquet was served shortly after. The room was decorated with flags, and on the wall above the toastmaster's chair was the following motto, in black letters on a gold background, the same that had graced the convention hall during the sessions:

N. A. L. U.

> May we all be benefited by the comradeship which comes from meeting face to face, in the right kind of spirit, men with whom we differ—by getting into close personal touch with them and gaining the proper respect for the opinions and purposes of others whose aims are identical with ours.

Speakers at the banquet were President William D. Wyman, Col. Noah A. Plympton, toastmaster, Col. William B. Melish, Cincinnati, subject, "What's the Use?" Hon. Judson Harmon, ex-attorney general of the United States, subject, "Life Insurance and Civilization"; Hon. J. H. Bromwell, M. C., Cincinnati, subject, "What's Ahead?" Hon. A. I. Vorys, commissioner of insurance for the state of Ohio, subject, "View from the Grand Stand." Hon. John M. Pattison, president of the Union Central Life Insurance Company, Cincinnati, was unable to be present, and his address was read by Mr. E. P. Marshall, secretary of the company. Rev. Charles Frederick Goss, Cincinnati, delivered an address on "Liabilities and Unreliabilities."

1903—April 15. Upon invitation of the Connecticut Association, the mid-year meeting of the executive committee was held at the Allyn House, in that notable insurance center, the city of Hartford, Conn. The twenty-one members present were as follows: President Philip H. Farley, First Vice-President D. F. Appel, Third Vice-President J. S. Cameron, Secretary Fred B. Mason, Treasurer Eli D. Weeks, ex-Presidents Richard E. Cochran, James L. Johnson, and William D. Wyman, Chairman Stephen F. Woodman, W. G. Carroll, S. Hamilton

Coe, J. W. Fitzpatrick, Dr. S. L. Fuller, T. F. Giddings, M. H. Goodrich, Col. J. A. Goulden, J. W. Harmon, J. F. Huntsman, George H. Olmsted, Edward O. Sutton, W. H. S. Whitcomb. The committee was favored by having at the meeting Col. John W. Vrooman and Mr. George H. Sutton of New York and Springfield, Mass., respectively.

October 13. The fourteenth annual convention was held in Baltimore beginning on Tuesday and continuing three days. The headquarters were at the Hotel Rennert, where the executive committee met on Monday evening. The convention assembled in the hall of the Young Men's Christian Association Building, almost opposite the hotel, on Tuesday morning, delegates to the number of about one hundred and fifty being present. The papers read were excellent, and the entertainment by the local committee was of the best. The distribution of prizes occupied considerable time, and the papers submitted in competition for the prizes were of an unusually high order. President Farley opened the proceedings, and after prayer by Dr. Edward B. Niver, D. D., rector of Christ's Church, Baltimore, Hon. Robert M. McLane, mayor of Baltimore, delivered the address of welcome, being followed by Capt. H. P. Goddard, vice-president of the Baltimore Association, in an eloquent welcoming address. Louis N. Geldert, Atlanta, Ga., proprietor and manager of the Insurance Herald, delivered an address on "The Geographical Distribution of Life Insurance." John Tatlock, Esq., associate actuary Mutual Life of New York, and secretary of the Acturial Society of America, read a paper on "The Recent Actuarial Congress—A Review of Topics Discussed Thereat, Which are of Interest to Those Engaged in the Field Work of Life Insurance."

The committee on prize essays awarded the Calef loving cup to Mr. Joseph J. Devney of Cleveland, and the Ben Williams vase to Mr. J. H. Jefferies of Philadelphia. The subject was "Building For the Future."

The $25 cash prize offered by Col. John W. Vrooman of New York for the best paper on "What is the Best Method of Developing Mutual Fraternal Interest among Individual Agents, so as to Strengthen the Bonds of Common Brotherhood in our Social Relations, as Well as our Business Affairs?" was awarded to Mr. David L.

Cardoza of New York. Mr. W. P. Draper of Springfield, Mass., secured the second prize of $15 cash offered by Dr. S. L. Fuller of Chicago, and Mr. William C. Johnson of New York secured the third prize of $10 offered by Col. J. A. Goulden of New York on the same subject.

As per invitation of the Baltimore Life Underwriters' Association, some 250 delegates and ladies sailed down the bay on the steamer Annapolis Wednesday afternoon, for a visit to historic Annapolis. The weather was perfect, the points of interest numerous, and the luncheon on of Maryland's best. As hosts the members of the local association were ideal, every possible want of the guests being anticipated. From the time the boat left the pier at 12:30 until it returned at 7 that evening, nothing occurred to mar the perfect harmony of the occasion.

On Thursday the visiting ladies were driven out through beautiful Druid Hill Park to Roland Park, where at the County Club a most sumptuous luncheon was served.

The banquet, which was held at the Hotel Rennert on Thursday evening, was no less successful than the preceding banquets, and was greatly enjoyed by the members of the association and guests. About two hundred and fifty sat down to dinner shortly after 7 o'clock. The tables were decorated with southern smilax, and bowls of dahlias and cosmos. Retiring-President Farley acted as toastmaster. The speakers were: Mr. Jonathan K. Taylor, Baltimore, subject, "The Underwriters' Association and its Influence"; Hon. Edwin Warfield, ex-president of the Sons of the Revolution and president of the Fidelity & Deposit Company, of Baltimore, subject, "Reflect and Consider"; Hon. Olin Bryan, Baltimore, subject, "Insurance from a Humanitarian Viewpoint"; Hon. W. E. Andrews, auditor of the Treasury Department of the United States, Washington, subject, "The Benefit of the Life Insurance Agent to Society"; Rev. Dr. Huckel, Baltimore, subject, "Possibilities and Opportunities"; Hon. W. W. McIntire, Baltimore.

1904—April 15. The executive committee held its regular mid-year meeting, at 10 o'clock a. m., at the Hotel Walton, Philadelphia. Members present: William G. Carroll, chairman; Hubert H. Ward, president; J. Herman Ireland and John H. Quinlan, vice-presidents; Philip

H. Farley, I. Layton Register, Richard E. Cochran, Everett H. Plummer, William D. Wyman, ex-presidents; J. W. Iredell, Jr., H. W. Balsbaugh, J. D. Boushall, E. G. Ritchie, George A. Cantine, G. A. Brinkerhoff, J. C. Biggert, A. J. Birdseye, Sidney A. Foster, E. O. Sutton, Frank Woolley, and M. H. Goodrich, twenty-two in all, the largest meeting ever held by the executive committee. Details relative to the annual convention to be held in Indianapolis were arranged and reports of various committees were submitted. The following change in the membership of the committee was made: Mr. J. D. Boushall, member from the North Carolina Association, Mr. Milner Bryan, member of the new Dayton Association, Mr. W. S. Martin, Jr., member from New Hampshire Association, in place of J. D. Harmon, resigned; Mr. J. S. Kendrick, member from St. Louis Association, in place of W. G. Day, deceased; Mr. James R. Nutting, member from Georgia Association, in place of Thomas Peters, resigned. Mr. John J. Price, president of the Indiana Association, was present at the invitation of Chairman Carroll.

The meeting was enthusiastic and full of interest, as many important subjects were discussed. President Ward, in his report of work done since his installation, recommended that a practical field man should be employed under a salary, to visit different cities and organize new associations. The recommendation did not contemplate relieving him of the duties assumed, but he believed that the additional help would enable him to secure better and more satisfactory results. The consensus of opinion was that the assistance should be rendered by the vice-presidents, ex-presidents, and members of the executive committee.

President Ward—Gentlemen, what will you do with this report?

Mr. Scott—Mr. President, I move that the report of the executive committee be received and its recommendations adopted.

The motion being seconded, was carried unanimously.

President Ward—In that report it was recommended that two committees be appointed on resolutions. I will appoint the following committees:

Committee on resolutions, for W. H. S. Whitcomb: I.

Layton Register, Philadelphia; Thomas H. Bowles, Detroit,; J. S. Kendrick, St. Louis.

Committee on resolutions, for W. G. Day: William M. Scott, Philadelphia; J. W. Janney, Chicago; Graham C. Wells, Pittsburg.

President Ward—These committees will please meet at the luncheon hour and be prepared to render their reports this afternoon. We will now hear from Treasurer "Uncle" Eli D. Weeks.

Mr. Weeks, who was greeted with hearty applause, read the following report:

National Association of Life Underwriters in account with Eli D. Weeks, Treasurer:

RECEIPTS.

Oct. 10, 1903, balance on hand after 1903 report was made up.	$1,454.89	
Received for 1903 annual dues	58.00	
Received from Monroe Snell for return on account of the item of music included in the bill already rendered at Baltimore Convention.	6.40	
Received for copies of report of the Baltimore Convention	788.10	
Received for 1904 annual dues	1,277.00	
Received for pro rata 1903 dues	6.25	
Received for pro rata 1904 dues	16.66	
Total receipts		$3,607.30

DISBURSEMENTS.

Bill of F. B. Mason, secretary, on account of expenses for N. A. L. U	$248.25
Bill of Ebbert & Richardson Co. for 300 copies of report of executive committee meeting at Baltimore	36.00
Bill for badges, bars, flags, etc., at Baltimore Convention	226.33

Bill of E. R. Haynie for services in compiling report of committee on statistics	10.00	
Stenographer's bill for reporting Baltimore Convention	250.00	
Bill of P. H. Farley for W. E. Andrews in attendance of Baltimore Convention	10.45	
Bills for printing, etc., on account of N. A. L. U	85.65	
Bill of Central Department Y. M. C. A. for rental of hall at Baltimore Convention	15.00	
Bill of Otto P. Steinwald for banquet music	40.00	
Bill of Hotel Rennert Company to balance hotel bills at Baltimore Convention	69.80	
Bills of S. F. Woodman on account of N. A. L. U	9.51	
Bill of E. O. Sutton for relining and refinishing Calef Loving Cup Case	4.00	
Bill of Standard Printing Company for copies of report of Baltimore Convention	739.46	
Bills of William G. Carroll on account of N. A. L.U.	8.10	
Stenographer's bill for reporting mid-year meeting at Philadelphia	100.00	
Bill of J. W. Fitzpatrick to defray expenses of vizing tickets at Indianapolis Convention	11.00	
The president's bill for expenses on account of N.A. L. U	101.02	
Stenographer's bill for treasurer for the year	12.50	
Treasurer's postage account	6.50	
Total disbursements		$1,983.57
Balance in treasurer's hands		$1,623.73

ELI D. WEEKS,
Treasurer.

The foregoing has been examined and found correct.

RICHARD E. COCHRAN,
GEORGE H. OLMSTED,
M. H. GOODRICH, Finance Committee.

Treasurer Weeks submitted the following list of old associations that had not paid their annual dues for 1904, up to Oct. 8, 1904: Columbus, Delaware, District of Columbia, East Ohio, Erie, Hudson Valley, Minnesota, Central Pennsylvania, Providence, Toledo, Vermont, Western Arkansas, North Carolina.

President Ward—As indicated by the treasurer, this report has been received and audited by the executive committee. What is your wish in regard to the report at this time?

Mr. John Dolph—I move you, sir, that the report be received and spread upon the minutes.

The motion was seconded and unanimously carried.

President Ward—We will now have an announcement by the chairman of the local committee on entertainment, Mr. E. G. Ritchie.

Mr. Ritchie then came to the platform, and following the applause which greeted him, said:

Mr. President and Gentlemen: This comes to me in the nature of a surprise. Mr. Dilday, chairman of our entertainment committee, had to leave the hall and Mr. Ward calls on me to make this statement. You probably remember, those of you who were at the Baltimore convention a year ago, that in extending an invitation on behalf of the Indiana Association of Life Underwriters to the National Association we stated that we would be glad to welcome you to Indianapolis for your deliberations this year and that we should do all in our power to make your stay here as profitable and as pleasant as we could, but you probably remember that I made the announcement at that time that we were not in a position to entertain you as royally as you have been in many of the cities in which you have met in past years. You heard from our mayor this morning that we are one of the greatest inland cities in the United States, which I presume is true, but we have not any water upon which even to float a barge, and of course could not think of giving you a sail such as we had at Baltimore and Portland. We therefore felt this to be for the best, especially when assurances were given me by so many of the prominent figure-heads of the National Association after the city of Indianapolis had been selected, that

they hoped we of Indianapolis would not make any great effort to entertain the National Association. In other words, give you an opportunity to do your business without too much jumping about, and I want to announce right now, gentlemen, that the Indianapolis Association has made up its mind to take you at your word, and we have provided for this evening a reception that is to be entirely informal, our hope being that you will have an opportunity to get thoroughly acquainted with each other. The Indiana boys all want to get acquainted with the representatives of the National body, and we would be glad to have you get thoroughly acquainted with us. We want you and your ladies to be here this evening promptly at 8:30 o'clock for this reception. You will be the guests of the Indiana Association of Life Underwriters. We have concluded that what other entertainment we shall provide shall be for your ladies. I hope you have all brought your wives and your daughters with you, and Mr. Dilday, the chairman of the entertainment committee, will make an announcement from time to time of what these provisions shall be. Other than this, Mr. Chairman, I have no further announcement to make. [Applause.]

President Ward—The secretary has a few announcements to make.

The Secretary—The New England Women's Life Underwriters' Association, by its president, Miss Emily A. Ransom, sends the following telegram:

New England Women's Life Underwriters' Association sends greetings and best wishes for successful meeting.

There is also a telegram from Mr. Plummer of Philadelphia, which is as follows:

PHILADELPHIA, PA., Oct. 11, 1904.

William G. Carroll, Chairman Executive Committee National Association of Life Underwriters, Claypool Hotel, Indianapolis, Ind.:

Regret exceedingly my inability to be present. Please convey to all the members present my kindest regards, and with best wishes for a successful meeting I am, yours truly, E. H. PLUMMER.

President Ward—I will state that I thought I had brought with me a letter of regret from ex-President Johnson, who wrote me stating that owing to ill health he could not be with us. As most of you know, ex-President Johnson probably ruined his health endeavoring to con-

duct the duties of his office, and it is with great regret, I am sure, you will learn of his inability to be with us today.

Mr. Richard E. Cochran—I move you, sir, that the secretary may be authorized to send a telegram to Mr. Johnson, expressing our kindly feeling and regret that he is not with us today.

The motion having been seconded, was unanimously carried, and the secretary was so instructed.

President Ward—Your committee having in charge the preparation of a program for this convention, deemed it advisble to make this convention as far as possible an educational one; a convention which would not only be inspiring and enthusiastic to those who are here now, but which would, on account of the high merit of the papers presented, look well in print thereafter, and be a valuable addition to the life insurance literature of our offices. Most of you have read this program as printed, and you will observe that through the medium of papers presented by well-known insurance men representing the home offices and the field, they will have something to say to us on the various subjects pertaining to our business.

The next speaker really needs no introduction to an insurance man. I will only say that he is one of the men in this business who is trying to do good; a man who believes that his chosen calling is a calling in which we can do good, and a man, if I may say it, who believes he can do more good as president of a life insurance company than as governor of Vermont. It gives me great pleasure to present to you today President Joseph A. De Boer of the National Life Insurance Company of Montpelier, Vt., who will present to us the following paper, "Current Life Insurance Practice in the United States from the Standpoint of An Executive." [Applause.]

The following paper was then read by Mr. De Boer:

It is an honor to meet so many of the representative, brainy, hard-working men, who, in this country of unlimited opportunity, are contributing to the maintenance of its homes, the enrichment of its states and somewhat, also, to the equalization of social progress and distinctions in what we call American civilization. It is a satisfaction

to reflect that, if we do not find upon this continent, as the evidences of former generations of work, the beautiful and interesting ruins of an Assyria, Egypt, Greece or Rome, or like literary and material evidences of their peculiar artistic and mental expressions, we may ourselves point to monuments which stand for the improvement and progress of the average man, of the mass as distinguished from class and of the needs of the plain people, who must work, save and provide. Among the evidences of our superior civilization—superior because its working results are more fully distributed among the many, instead of the few—we have not only our splendid cities, rich homes, permanent streets, sanitary sewers, modern hospitals, schools, colleges, churches, railroads, telegraphs, applied electricity, and all the marvels of mechanical, agricultural, industrial and commercial expression, in all which the average man participates more fully than he ever did before, but we also have those devices, originated, tried and now approved, by which he now may take some discount of fortune and make his future needs and obligations more secure.

To be able to do this and actually to do this signifies the opportunity of the last half of the nineteenth century and the improved opportunity of the twentieth. For the life insurance company is a modern force, designed to deprive men of the fear of both living and not living and to substitute in its stead the expectation of self and family independence and the immortal honor of providing for one's own. You will feel what these words mean: Life insurance has settled many a temporary disquietude by a policy loan; it has negotiated the immediate want of many with a cash value; it has supported old age by endowments and easy-going age by annuities; it has discounted death, lifted the mortgage from the home, supported widowhood, cared for orphans, wiped liability from many a slate, and made a busy-working but spendthrifty world shine with a new assurance that ways and

means have been found of insuring against all the accidents and uncertainties of human life.

That, of course, is a rhetorical expression of its work but if the measure or value of that expression is wanted in the language of cold statistics, it may be answered that in 1903 old line life insurance companies paid policyholders for all causes the sum of nearly $200,000,000, held in trust for them when the year closed $2,000,000,000, and carried contingent risk on their account upon 4,670,000 policies or contracts in the sum of over $9,500,000,000.

This assembly, however, which today represents much of the ability, power and enterprise responsible for part of this great achievement, is not met to indulge in self-laudation or in a particular eulogium of life insurance work. Yet it is impossible that any such convention as this should meet without remembering or having called to silent memory some of the great names of those now gone forever whose courage projected, whose thought directed, whose working nerve sustained and whose indefatigable labors tended toward this great result. These we hold in revered memory, wherever they worked and died, as benefactors of their race. It may have been an actuary, substituting facts for impressions, a secretary, bringing order out of a chaos of accounts, a medical director, classifying selective problems, an executive, directing all action, or an agent in the fields of competition, disappointment, victory and strife, where minds met and the initial work was done, but wherever it was or however it was done, I wish to say to you today that the figures just read to you stand as an enduring monument of effective wit and wisdom, energy and courage, love of man and country to an unnumbered host of men who labored in the armies of mankind when the grain grew and the world was at peace. They conferred upon the people of the United States a service, which in its practical utility, first, and in its indirect contribution to eduction, morals and culture, next, has not been exceeded by any other force except our schools and religion and to these forces we must, and always will, most reverently ascribe first place.

It is but natural, therefore, that a convention born of such antecedents and identified with such an institution should meet to see if we can do each other any good

and the business itself any good from a further consideration of its character, its practices and its tendencies as we now understand them, and it was with that object solely in view that I esteemed it a privilege to accept the invitation of your distinguished association.

It is today impossible to define life insurance in a brief way, if in the definition everything is included which the modern policy supplies by way of insurance and benefits to the insured or his beneficiary. Practically every contingency is covered, death, lapse, surrender, mode of paying benefits, conversions, restorations and even disputability. It is thoroughly agreed, however, at least so far as actual practice can confirm it, that fundamental to that practice there are three major assumptions, each of which must not only be kept in view but kept intact, the rate of mortality, the rate of interest and the rate of expense.

It has been the rather singular practice for over half a century to adhere with great steadfastness to two standards of mortality, the so-called Actuaries' and American Tables, as the measures of risk. I say "the rather singular practice" because it would be natural to suppose that developed experience on the data of individual companies would have led, under a scientific direction of their affairs, to greater diversity in the use of mortality tables. At the same time, it should be pointed out that the intent or the desire to direct scientifically or by the light of experience is quite apt, in commerce and business, to yield to the influence of competition and thus result in a standard which that commerce or business exacts instead of the suggestions of an individual experience. Everything flows to the sea. It was necessary to use the Actuaries' Table in the early years of the business and it was natural that, when the oldest and largest companies in the United States adopted the American Table, so called, this measure of mortality risk should work its way into the practice of the business and that this tendency should crystallize into a law when the states began to use it solely as a measure of reserves. In some sense, therefore, the tabulated experience of different companies had an interest only in its application to the function of surplus distribution from vitality gains but it did not modify the standard in use for the calculation of premiums. The

American Table is substantially today the basis of our underwriting work and compels adoption or use through its employment by the states and because also its use for competitive as well as comparative purposes supplies a working basis which is more readily understood, explained and applied by solicitors in the field.

While there is unanimity in regard to the mortality table in use, there is considerable difference of view as to the rate of interest with which this mortality assumption should be mixed. Some companies use 3 per cent. and others 3½ per cent. and I may as well say here that the reserve basis of the thirty largest companies in the country, counting assets, divides itself into 3 per cent. for twelve companies and 3½ per cent. for eighteen companies. The American Table serves the business satisfactorily and the adoption of any other just at present by individual companies is hardly to be expected. It appears, on the other hand, that opinions as to the interest function varied considerably and it is true that the question admits of different solutions and presents different considerations. It is affected by competition on rate, by the fact of having a large interest-bearing surplus in hand, by that of investment policy and organization and opportunity for investment, and by that of pure difference in opinion as to what will be the probably prevailing rate for safely invested trust funds. One company by many years anticipated all others in the use of 3 per cent. and at the same time adhered with marked consistency to a somewhat inferior non-forfeiture practice. Various opinions, all more or less ex-parte, have been expressed as to the wisdom of this course and it is quite the popular thing to refer to this as having resulted in a loss of impulse. I refer to it here historically because, in fact, that company anticipated an important and necessary change in the assumptions on which rates and reserves are calculated, of which assumptions the rate is very consequential. For, as the assets of companies grow, and they are growing very rapidly, the problem of their safe, sure and solid investment and distribution grows more difficult also. The need of netting only 3 per cent. or 3½ per cent., as compared in former years with 4 per cent. and 4½ per cent., is therefore a distinct contribution not merely to ease of investment but to

safety in investments, thus materially lightening the burdens of financial work and making possible, if managers will observe that practice, an insurance of greater safety in that work. The institution, therefore, with much of its promises equated against 3 per cent. reserves has an advantage in handling its funds in respect of the demand upon it of realizing a fixed and necessary mathematical rate. The necessity for a very conservative interest basis is predicted upon these simple considerations: first, that the actual earning capacity of assets should at least exceed the assumed rate by 1 per cent.; next, that as volume of assets grow, these sacred trust funds should not be forced, from sheer need of finding an outlet, to seek speculative investments; and, finally, that the purchase of many investments at a premium compels the companies to have a wide margin from which to finance their funds. This last consideration is the more important, considering the further fact that companies are bound to turn their assets, on the average, in from five to ten years, as nearly as I can now judge that fact. Thus mortgages expire by terms, or under options, in from three to ten years, while many of the best bonds are either made subject to an early option, or, if made to mature at long dates in the future, must be especially strong, and thus either sell at a low rate on the par or a high premium over par, and, of course, it follows that the farther off the date of paying a loan is placed, the more reason there is for exacting the strongest possible security. It is one of the achievements of recent years that the companies have placed the business of life insurance upon a more conservative interest assumption and an equally satisfactory fact that, with every passing year, their reserves will contain a larger volume subject to the more conservative rate. This practice distinctly and lastingly strengthens the entire system.

It should, perhaps, have been said also that the use of a more practicable and convenient interest assumption was further advocated by the very liberal non-forfeiture promises which are now characteristic of American life insurance.

The final and third function in rate making, the most abused and perhaps the only abused of the three, and the one least certain in its designed application, is the load-

ing or margin. The actuary has handled this function as well and as carefully as possible, even with tenderness, but the manager has not always seen fit to treat the margin as an affair of definite limitations but as something on the elastic and self-generating order, competent to respond to the demands upon it for the utmost support in the acquisition of new business and for any amount of work in the competitions of the business. Yet there used to be a theory and even a practice in regard to this which was fairly universal, namely, the loading was not intended to take care of the expense problem merely but also of contingent and accidental losses and of contractions in assets and funds. In short, the margin was intended, actuarially, to be always a source of surplus, so as automatically to take care of any excess experience in mortality or of any losses of funds. The practice was, in a general way, to make the loading a fixed per centum of the net rate, the latter having been calculated first on the mortality and interest factors. But there never was a time when students of life insurance have not held, some of them, at least, a strong suspicion that a direct percentage expense loading (coupled in practice with a first commission, a percentage tax and a renewal commission, directly computed on the premium) was a source of much that was non-mutual in practice as regards different forms of insurance and different ages for the same forms. The simple posit was that a company did no more for a man of sixty than of twenty, when it sold him a life policy, though the loading was many times greater. I do not care to re-open that debate, although its discussion today is susceptible, in view of modern policy work, to a much broader interpretation. It is enough to point out that the practice as to loading and as to payment of compensations and taxes in the form of a percentage on the premium was a simple and natural one and that it grew and crystallized into a rule in a time when men existed, and men, too, of excelling character and ability, who went forth with a sandwich in one pocket and a contract for 15 per cent. first commission in another and sold life insurance. In those days, it is said, the practice was not a hardship, when commissions were light and taxation nothing and when the constant increase in expenses had not lifted

that item to several times what it once was. Those were the days of fresh selection, low commissions, small expenses, high rates of interest, no taxation, good lapse profits, conditions of forfeiture and a big surplus return. And yet I would not care to see those days here again, considering the volume of work done, as compared with that of today, including change in the form of work. The world improves. The average man gets more all of the time as the world grows older. Today he does receive and he also buys more insurance of a kind which covers all his necessities more fully and the mere fact of its ever increasing volume is full compensation to the American people for any apparent increase in costs. I say "apparent increase" because, if the whole proposition be analyzed from every point of view, it is a question if the buyer does not today receive more service for every dollar of premium paid than in former days, a question to which the thought of students is respectfully directed. In recent rate making, however, the actuaries were nearly as definitely forced to adopt a certain method of loading as they were forced in their selection of a mortality table, but they did substitute in many of the rate tables which I have examined a form of composite loading, namely, a fixed percentage loading on the net premium for the form of insurance under consideration, plus a fixed percentage of the net premium for a whole life policy. This method had the merit of reducing the inequity of loading for upper ages by the straight percentage method and, therefore, of improving the mutual character of different policy forms as a whole from the standpoint of their provisions for expense. The fact, however, that the loading was not and is not discharging its theoretic function in the early years of an insurance was another sound reason why the interest assumption should be placed on more conservative lines. At the same time, it is evident that it depends much upon the point of view whether different men would conclude that the theory of loading is abused in practice or not. My own opinion is that it is, although the degree of the abuse varies with the companies and depends upon their composition and their corporate needs. Yet I also wish to say that upon this point there is room for a broad underwriting judgment, inasmuch as volume of business

reduces the rate of expense and also results oftentimes in a reduced mortality experience and these results may justify an impairment of the loading, to say nothing of conserving the interests of those who are already insured. It has been often pointed out that new blood, or new members, are worth something to the business and hence something to be paid for out of the general surplus fund, if thereby that fund will be strengthened and improved. It follows, accordingly, that in any study of impairments in the functions of loading it is necessary, in order to be fair, to take into consideration the collateral advantages gained, if any, in insurance gain, in the futures of margin, in good will and influence and in the substitution of corporate vitality for the dead rot of non-progress, inertia and decay.

It is further probable that any attempt to have changed the basis of compensation from a fixed percentage of the premium to a fixed amount on the volume of business without regard to its kind, or to some sum of percentage calculated on the insurance value, so called, would have resulted in a much smaller development of the business as a whole, thus leaving it an open question, because life insurance is always a good thing, whether on the whole it did not pay to impair the mathematical theory of the loading. From that view-point I will not criticize the fact, and, more particularly, because it seems to me that the very growth and expansion of life insurance has resulted in perfecting the modern policy to the uses of the individual, thus vastly improving the insurance.

I should say, gentlemen, that certain companies do not today exceed their loading provisions but regularly enjoy some surplus returns from that source. At the same time, have in mind, please, that all questions and all results do not stand alone in our business but in their relationship to other experiences and results, and that, after all, in determining the character of managements the final or corporate results, distinguished from any isolated result on some function, are to be considered.

In general and in conclusion of this division of my paper, permit me to state that practice today appears to be very rational, consistent and much improved and, perhaps, even uniform and fairly well fixed for some years to come as regards the three factors of mortality,

interest and loading. The essential factors of the business appear to be trustworthy and from these we naturally pass to the practice in policy construction, or to the promises, based upon those factors and underwriting experience, which we are today offering in the markets not only of the United States but of the world and which, wherever sold, mean so much for the future well-being, happiness and prosperity of our people.

Having indicated the general working assumptions as to mortality, interest and loading which today meet the approval of the life insurance executive, it is next proper to point out the kind or form of policy or contract of insurance which the needs of society, business experience and competition have developed out of those assumptions, as a basis of work. Broadly it may be said that the current form of American life insurance policies is the best that was ever devised from the standpoint of the individual purchaser, whether he be poor or rich, buys in small or large amounts, or whether he desires simple protection or investment protection, or defers the payment of his share in surplus or takes it early, buys stock or mutual insurance, remains a lapsing or persistent member, or however he may wish the benefits or proceeds to be paid in his behalf. In a large sense life insurance has developed out of a protection to some individuals and their contingent needs into a protection of all individuals and all their needs. This adjustment to individual needs, as they arise in all their varied character, is the great and conspicious merit of the modern life insurance policy and it is pleasant to add that no company and no particular section monopolizes this form of service. It has become the practice of the business and is sustained by the greater conservatism as to the fundamental working assumptions of mortality, interest and loading, to which reference has been made, and also by the vastly enlarged opportunities for the benefits of all laws of average which volume affords. For it is true that, as the all-round, perfect, adaptable and solid character of a well-placed life insurance policy has become recognized, life insurance has grown in favor as a means, not merely of immediate defence for wife, children, credit, invalidity and old age, but as one very substantial and certain mode of saving and investment.

Thus it has come to pass that the tendency has set in against the multiplex forms of assessment insurance, while term, life and endowment insurances on the old line plans have been improved and equalized to meet the requirements of ever growing demands among a people whose thrift, energy and work have placed their nation in the front ranks among the peoples of the world.

This natural tendency towards a more perfect insurance of guaranteed protection has been stimulated by the companies in two important ways, the introduction of instalment benefits and a greater and more conservative practice as to the character of their investments. It has also been fostered by state supervision, through a more intelligent oversight of life insurance affairs and through a peculiarly marked publicity given to everything connected with the companies. It is doubtful if in any other department of work in the United States there is nearly so much detailed scrutiny given, with published results as to the men, policies, condition, trend, tendency and work of the average American life insurance company. If an example is demanded of the value of publicity in its influence upon business results or of the inherent strength of life insurance, as now being done in this country, it is supplied by the life insurance company and it is splendidly enforced by all published statistics, which merely prove a constant progress and growth, a perennial increase in outstanding insurance, in the number of adherents and in the volume and quality of assets, to say nothing of the actual and splendid improvement in the work which life insurance is now doing all of the time for the average man.

It would be wrong to weary you with the details of development of the modern life insurance policy or with all the reasons for the changes in practice which were slowly but inevitably introduced. It should be remembered, however, that the contracts which you sell, and sell, I trust, at a hundred cents on the dollar, were not accidents but growths, every step in their progress taken slowly, every gain in their quality the result of a hard-won fight, every move due to reorganized public or individual needs or to the demands of competition or to pressure of laws or to the desire of managers to correct inequalities in the interests of a more certain mutuality.

And it is right to say that the story of this policy development, if truly told, would contain the name of many a strong, true, able, thoughtful seller of life insurance, whose ideas of it and whose judgment of what was both right and feasible originated in his personal touch with and experience in the field. The case was brought, tried and won in the field and the broad result is a splendid policy of mutual protection, so arranged that its purchase and its use involve automatically the dispensation of benefits among all classes and conditions of men under mutual and wholly reasonable conditions. Some tricks of expression, some promissory quirks, some catch-penny ideas remain to impress folks and sell goods, but in the main all the essential, serviceable promises in current life insurance responded to conditions and demands as they exist and were put in force by managers just so soon as they were either convinced of their practicability or swayed thereto by the exigencies of competition. For there is no life in which the principles of environment as modifying form, or of fitness as insuring survivorship, act so constantly and persistently as in corporations, and, by that test, the average plain and common wit of the world has specifically elected life insurance as entitled to the highest praise.

I do not care to take the time which it would require to compare the differences, more or less insignificant, between policy conditions in the contracts of some fifty different companies, recently examined, but it would seem useful to refer briefly to the essentials of policy conditions as they are now incorporated in from 85 per cent. to 90 per cent. of the business done in this country, inasmuch as that will sufficiently define our current practice.

It is common practice in the policy to cite the application as a part of the contract, but this practice has become less consequential since the introduction of indisputability. Out of fifty policies examined, all issued by different companies, thirty-six supply the application, eight supply it on request or when required by law, three on request, two not at all, and one when the application is for $7,500 or over, on request or according to law. I do not care to amplify on this feature, considering it more consequential to the business and to the policy-

holders of the companies that the latter should receive well-prepared, truthful and accurate applications than that the holders should be furnished with copies. The safe course is to supply the applications and that is, in fact, the only course if they contain conditions which exclude specified risks or when a company may wish to rely on breach of warranty or misrepresentation as a defence against certain claims.

The payment of cash values is now the rule, current practice in the United States having definitely conceded that the insured is entitled to an equity in cash, if he controls the policy, and also that he shall be the judge of his needs. For example, twenty-four out of fifty companies guarantee a cash value at the close of the third policy year and the companies included in that group do by far the major share of our life insurance work. Yet the disposition to hold on to the cash is strong and hence there are various surrender charges in vogue, of which it is impracticable to speak at length; and then, too, other devices as to cash payments are employed, varying with the size, character and needs of each company. Seven pay cash values at the end of the distribution period, four at the close of two years and annually thereafter, and three at the end of five years. Others have other plans, at the close of a three or a five year loan period, or at the end of the tenth year and quinquennially thereafter, or at the end of the fourth year, or in quinquennial periods, or at the end of either fifteen or twenty years. A distinction, in many respects fairly and justly made, exists in the cash value promises of three companies, two of which allow a cash value at the end of two years on endowments and at the end of three years on life policies, while one company makes these terms one and two years respectively. It is but normal that various surrender charges and different time periods should exist, each company having its own policy in that respect, but it is also normal and a great satisfaction that the cash value as a feature of modern life insurance is now a fixed fact and that the policy condition as regards said value is so universal in point of time among the leading companies of our land. I regard this general adoption of the idea very significant—more so than the conversion of any equity in a policy into paid-up or ex-

tended insurance—and it may also be regarded, especially in connection with the interchangeability to their respective extents between cash and loan values, as one of the strong influences of present times which have tended to popularize life insurance. Not merely the extent and power of agency organization, not merely increase in population and wealth, not merely the energy and enthusiasm with which the battle lines of solicitation have been hurled against markets, active with intelligent and insistent competition, account for the spread and increase of the country's life insurance investments, but, also, something must be ascribed to the improvements in actual practice, in policy construction and in fair dealing with the insured.

Another feature of practice which is marked by its variability is that which relates to dividends. Most business probably is written on participating plans but the agreements as to participation, as to the time of and kind of participation, and as to the conversion of surplus equities, when a distribution is made, vary widely and indicate either well established, historic policies in some offices or business necessities in others, and, in some cases, possibly, a regulation of the matter by more or less regard for the science and art itself of insuring life. I will, however, merely refer to the fact of variations in practice, next, state that all methods admit of some defense and, finally, advise that the tendency today is in the direction of early distributions with an application of the dividend toward the reduction of the annual premium to be paid. Managerially viewed, the rule is to consider surplus as an acccident of insurance and the declaration of dividends subject always to the consideration that, first and above all, the solvency and the permanency of every institution must be preserved. It is satisfactory to observe that the tendency also is today to advertise, urge and declare the character, the value and the security of the protection rather than to emphasize the dividend feature. That result naturally accompanies a more liberal practice in policy construction, an experience of contraction in assets, a demonstration of unrealized estimates, and conditions of interest earning and expense which of necessity militate against surplus margins and render the whole business more and more an affair

of exact work. Today, therefore, the expert, whether manager, actuary, medical director or agent, is compelled to inventory and husband his opportunities, or in the language of the motto adopted by the Actuarial Society of America to substitute facts for impressions. There are at least six companies which today pay a dividend at the end of year one and annually thereafter on renewal of the insurance and there are at least a dozen more which will issue such a policy but place special stress on the issue of distribution policies in some form. Three companies out of fifty begin their dividends at the end of the second year and some six others out of fifty examined will write a two-year period, but for the greater part practice long term distributions. I will not undertake to rehearse further other peculiarities but will take this chance of saying that, in my judgment, there should be no interference by statute with this delicate feature of the work, but that, if there must be interference at all, an institution be given the benefit of a quinquennial distribution, i. e., a division, as ordered by directors, once in five years, leaving it optional with the real managers and directors of such company whether dividends shall be made more frequently than that. It is well enough to control the steam.

Conditions against duelling are practically obsolete except so far as that risk can be viewed as falling under policy clauses which exclude the risk of death resulting from a violation of law. Yet such violation of law is not directly referred to in the policies of thirty-two companies which I have examined and these are today doing the greater share by far of the life underwriting in this country. There are five others which do not seem to assume the risk, but return the reserve, and there are sixteen companies which use limited clauses, ten of them two years, six one year, and in the case of five of these, either the full premium or the reserve is returned. This phase of the business, like the questions of residence and occupation and changes therein, has been affected by the introduction of the practice of indisputability, which will be referred to later on.

One of the striking things about selection, whether it be medical or business selection, is this, that it easily passes from an exception to a rule and, after a time, from

the admission to the class of acceptable risks of a few classes to many or even all classes. Thus today there are thirteen companies which place no restrictions whatever upon occupation after the policy is issued and there are seven more who have the same rule, except that they do not include military or naval service in time of war. All the rest have some restrictions, but with a decided leaning in favor of either making them easy or excluding them entirely. This does not mean that the question is not considered at the date of selection, but after the insurance has been issued. Whatever the restrictions are, they usually include the handling of dynamos, features of the liquor business, blasting, mining, submarine and aeronautic work, handling of explosives and work on railway and common high-sea carriers. Yet but four companies make the restriction binding over the whole term of the policy and two of them certainly, and perhaps the other two will, practice the issue of permits. All the others—some thirty companies—have a two or a one year clause, after which periods the right to work at any occupation is conceded and the risk assumed. The practice as to military service is less liberal. Out of over fifty companies examined, twelve policies contain no restrictions, four restrict for one year and three for two years only, and all the rest have their special practice of either an extra charge, stipulated in advance, or of permits, coupled with either no charge or some charge, as those companies may decide. As to the value which managers will assign to the war risk, it is perhaps enough to say that it will largely depend upon their individual experience, their policy as to acceptance of new risks in time of war and their condition or composition. There are no reliable statistics and what we have can be used quite as effectively to prove the case of one who favors no restriction as the argument of one who does. Some of the strongest and best companies accept the risk. Many others reserve the right to control the risk for one or two years only. The rest are more or less vague as to the way in which that risk is left, but, in general, the testimony as to this hazard, or that from all occupations, or that from changes in residence, seems to show that the best companies are nearly ready to take all risks except those arising from fraud or deliberate and con-

scious suicide, provided they can be assured of full, exact and honest information, both as to facts and intent, in the application for insurance.

Substantially these same remarks apply to residence and travel, only more so. For, out of fifty-four policies examined, only twenty-four place any restriction on residence and travel and the rest limit their control of such risk to only one or two years, with a view, very evidently, to influencing selection as much as anything else, and even most of these specially provide for the issue of permits. I will not discuss it at all but will merely suggest that this restriction is of very insignificant value and that business men, in these days of extended national interchange, are fairly justified in objecting to any restriction on their right to go and live wherever their business or their pleasure calls them. The right course is to accept the risk, if it is one, and reserve against its value in general surplus account upon the broad principle that perfection of the insurance within conservative limits is the main thing. The companies must work up to the needs of their market. They cannot make or alter those needs but merely insure them. And we may conclude as to modern practice, without especially desiring any return to the old, that restrictions on residence, travel and occupation are practically out of use and that this is also the case with conditions relating to the use of narcotics and intoxicants. For, out of fifty-four contracts, only six have any restriction as to either use or manufacture and those six limit their clause, in one case to one year, in four, to two years, and in one, to all time, but all leave the question sufficiently open to render the average instance a difficult defense in fact. It may be safely declared, however, that in their effect upon actual mortality risk, changes in the habits of men are much more to be feared than changes in residence or occupation, including even the war risk on land or sea, although it might be reasonable to modify this opinion in the case of those companies which also do a large foreign as well as domestic business.

It is now desirable to say a word or two about incontestability. The entire practice is as yet mixed, doubtful and debatable. One very large, well known and influential company, which reserves the right at all times to plead

voidance of policy from certain risks, explains with much minuteness that its rate of litigation, in proportion to death claims has been less than three-tenths of one per cent. and that, too, including the reserves returned by the company on contested claims. It is an excellent record and, in some degree, can be cited as proof that the companies may reasonably guarantee indisputability, as well as proof of the fact that our best life companies do not seek or force litigation or contests but, as a fixed practice, adjust claims in a very liberal and equitable manner. The practice has grown up, however, of saying to the insured that he shall be protected against suits at law, curtailment of benefits, or the cancellation of his insurance for any cause except the non-payment of premiums when due. Its probable origin was due to the introduction of non-forfeiture, the cash value followed by the loan value, that by collateral availability, the quality of which could only be insured through indisputability, and, also, from the facts of a low rate of experienced litigation, the introduction of policies of large amount and the effects of competition Two companies employ no clause; three have mixed clauses; and three agree to indisputability from date of issue. That disposes of eight. Out of forty-seven other policies examined, twenty-one have a one year clause, twenty-four have a two year clause, and two have a three year clause, after which periods there will be no dispute, subject in certain cases to limitations. These may be summarized as including corrections for age, restrictions on military service, the exception of claims due to suicide, material misrepresentations in the application and the existence and use of fraud. Between the policy conditions relating to residence, occupation, suicide, violation of law and that of indisputability there exists a strong relationship, so that, so soon as a company adopts the latter practice, its other policy conditions are at once greatly liberalized, although the precedence of liberalizing other conditions might also logically induce the adoption of complete indisputability. All these conditions, taken together, rather indicate their purpose to be quite as much their beneficial effects on original selection of risks as a defense against subsequent claims by death because of special hazards. It is my opinion that the door has been opened somewhat

too far in this respect and that it would be much more reasonable and equitable and also more businesslike and moral if the uniform practice prevailed of making indisputability, as a policy condition, coterminus in point of time with the period of non-forfeiture, and, further, that there should be included in exceptions to its operation not only the non-payment of premium but also fraud, in contravention of public policy and morals, and sane, deliberate, conscious self-destruction, the rule in such cases being to restore the reserve upon the principle that the company should neither profit nor suffer from such acts. For life insurance should protect always, but, so far as human wisdom can forefend, it should not by a loose practice invite loss from fraud and crime.

Another debatable question, always recurring for discussion, is the question of extending grace in the payment of premiums due. The life policy is so unilateral, exacts so absolutely fulfilment of promise by the company and leaves so absolutely the control of its renewal to the insured, that it would seem, at first thought, entirely reasonable to exact prompt payment on dates due. Yet such are the vicissitudes of men regarding their finances, changes in and loss of work, and the demands upon them, that it has been found necessary to extend them aid of various kinds in maintaining their policies in force. This has been justified by the value to companies of persistency and also, in many instances, by the fact that the non-forfeiture provisions, and especially extended insurance, themselves work extension of the full risk automatically, although not of any equities in the unassigned or unapportioned surplus funds. The status of this practice of grace in the payment of premiums is sufficiently defined by the statement that the rule is to allow thirty days after the first year's premium has been paid. Thirty-three out of fifty-four companies allow this practice and eleven others allow one month and one allows thirty-one days, so that we may say that forty-seven out of fifty-four companies grant a thirty days' grace. Of this number twenty-one charge interest, 6 per cent. by seven and 5 per cent. by fourteen, and all provide for the collection of the full premium if death occurs within the period of grace. The practice of using exact days, 30 or 31, preferably 30, is better than the use of

one month, on account of the variable number of days in the months, and the practice of charging interest seems strictly mutual and equitable, although it might be urged against that practice that it pays to be liberal, that all may need the grace some day, that it profits the company to save the renewal and that the collection of small interest charges works friction. Five companies have no grace clause but, of course, have their own individual practice of aiding the renewal of business, including premium notes, extension notes, policy loans and restoration privileges. On the other hand, the companies pay their promises on demand, as a general practice, even though they have reserved to themselves the right to pay within from thirty to sixty days. One or two companies refer to proof of interest and cause but these are taken care of in the claim papers, so that the great fact remains that the life insurance companies of the United States pay at once when proof is supplied and are able to pay. Out of fifty-four companies, only seven appear to have time limits after proofs, five of sixty days and two of thirty days, and three of these take care to publish their custom of paying immediately on proof of death. Only one company declares that no deduction will be made. even if only one quarterly premium of the current year shall have been paid, a peculiar and isolated practice which abrogates the long maintained and long applied actuarial theory of one year as the time unit in all calculations of values and rates.

Thus absolute has the practice become among the best companies to aid the insured in paying premiums, while their own promises are cashed at once, and I will not say a word against that practice, but commend it, rather, considering that the bulk of this business is mutual and that protection is the purpose of life insurance. It is to be commended just so long as it can reasonably be done and safely done.

This paper ought to be hastened to a conclusion and yet it is desirable to round it out by referring to the practice of loans, paid-ups and extensions. In some companies the loan preceded the cash value. It is a better proposition and, so far as it goes, it is a cash value. The latter, however, logically led up to the policy loan. The policy loan is the best loan a company can make, al-

though it is better for the policyholder, if he can avoid it, not to make a loan on his policy. It is the best loan for a company to make, especially if it is using the cash value system, because, in any event, the cash value is controlled by the insured, and because, further, it earns a good net rate, the interest is easy to collect, the security is absolute, the borrower appreciates the accommodation and the practice probably tends to increase the average life of policies. With premium notes added, they constitute from 10 per cent. to 15 per cent. of some companies' assets. The companies reporting to the department of Massachusetts held nearly $150,000,000 invested in this way at the close of 1903. The companies have been slow to lend money to their own folks. Even today they hedge the transaction with all kinds of conditions. Yet from fifty contracts examined I find only one company that does not loan to its members and but one that has no loan clause but does, in fact, make policy loans on request, and one of these has advanced only recently to a limited practice in this form of service. Three minor companies loan an endorsed value at 5 per cent. after year one and there are seven which loan after year two, five at 5 per cent. and two at 6 per cent., of which two collect the interest as well as a year's premium in advance. So, too, one company loans after the fourth year at 6 per cent., and one after the fifth, but not less than $25 nor for less than one year. Many of the companies which loan on third year values make the loan for at least one year by collecting the interest in advance, and, in order to make the loan value appear large at the date fixed for a first loan, they discount the next year's cash value and then collect one premium and interest for a year in advance. Loans at the end of the third and subsequent years or, by discount process, at the beginning of the third year, etc., can be had from forty companies, and of these eight charge 6 per cent., one asks 5½ per cent., and the rest 5 per cent., which these latter usually collect in advance and with one premium deducted for the year's insurance. The amounts loaned are also limited, as, for example, to 90 per cent. of the cash value or to not less than $25, $50 or $100, and one Canadian company imposes a restriction which seems very wise, namely, that there be no statutory or other restriction on

making the loan. One of the best arrangements, considering ease of explanation, certainty of collection and freedom from all unnecessary restrictions, is that of loaning up to an amount secured by the cash value endorsed, charging the statutory rate and allowing the insured all he wants and the privilege of paying it back, part or all, whenever within the policy year he sees fit, collecting interest when he does so. By discounting the cash value the company is secured and by allowing the repayment at the option of the borrower everyone is safely accommodated according to his needs and desires, and that is the main point of all mutual life insurance work.

If, however, the insured neglects to pay premium, when due, or fails to make use of restoration privileges which are now common, or fails to accept the grace of one month or thirty days or to make use of extension, premium or loan notes, but permits his insurance to lapse without demand of surrender value, then the practice is to allow either a paid-up policy for reduced amount or a term extension of the insurance for full amount, both subject to reduction in either the amount or the term for any outstanding policy liens at the date of lapse. Again taking the fifty-four companies before referred to, it appears that forty-five guarantee paid-ups at the end of three years, eight at the end of two years, and one at the end of the first year. The general rule, therefore, may be summarized that the time period is usually three years, that the form is usually non-participating and that the credit accrues automatically, unless that feature applies to extended insurance, and, further, that from two to three months are allowed after lapse in which to make a choice. Non-forfeiture is the law of some states, of which form of paternalism Massachusetts supplies the most notable example, but the fact is that the demands of the market, stimulated by competition and permissible according to experience, have long since led all the companies to include these benefits voluntarily in their policies. It is often one of the choice and pleasant episodes of home-office work to discover a person whose impression was that some old policy, which had lapsed, was valueless but who may be advised that its equity was converted into a paid-up insurance of considerable amount. Such

payments give much satisfaction, do a great deal of good and have greatly contributed to the ever increasing popularity and power of life insurance policies as attractive investments. One of the most normal and natural ideas in the treatment of lapsed policies is that of treating the premium due as a lien upon the reserve and thus continuing the insurance in force until the reserve is exhausted. When cash and paid-up values are promised, it is necessary to declare which option shall be effective without act of the insured and, when loans exist, it is essential to decide whether the extension shall be for full amount but for a reduced period of time or whether it shall be for a reduced amount of insurance over the full time period endorsed. In my opinion, many objections to automatic term extension, coupled with a practice of loans, will be removed if it be understood that any loan will be deducted from the reserve at date of lapse and the insurance continued over the full term but for a reduced amount. Otherwise adverse selection should be discounted by a stipulation that the loans shall stand as a lien if death occurs within the limited extension. The practice entirely favors full insurance for a reduced period of time. The extended insurance option is the most valuable granted by the companies and is the most likely hereafter to be used against them in the cancellation of risks, although this is not yet the case. At the same time it is a strong argument in solicitation and it gave the solicitor an excellent means of meeting assessment insurance competition when that was stronger than it is today. For, if the total premium paid is divided by the total time in the insurance granted both before and after lapse, it supplies an exhibit of minimum insurance costs per year which easily defeats the assessment argument of low costs and, especially, when the solid strength of old line insurance is thrown into the lists. On the whole, the people like this option and easily understand it. It strikes them as a fair disposition of the unearned premium and as a safeguard against the loss of their insurance by lapse through oversight or neglect.

I will not say, however, that the tendency is to make extended insurance the self-acting, non-forfeiture option, although it is true that nineteen out of fifty companies use this option in that way and among these are included

some of the largest and most progressive underwriters of the time. Three extend at the end of year one, three at the end of year two and thirteen at the end of year three, while twenty-seven out of fifty examined require either a surrender of the original policy or an advance application for the extension. There are also a number of special provisions like that of giving a premium extension, or of considering the regular premium a lien upon the reserve, or of allowing the extension only on some policy of the endowment form. The rule is that the extended insurance does not participate, but one company provides for the payment of an annual dividend and nearly all the companies which grant extensions provide for the payment of foreborne premiums or of premiums and interest, if death occurs within the first, the second or the third year of the extension, the one year period dominating in this practice.

Another very marked but rarely recognized feature of the extended insurance option is this, that, in general, its calculation is based upon tables of single premiums which are strongly loaded, while those in use for paid-up policy calculations are loaded lightly or not at all. The result is that companies thus provide themselves with an automatic surplus source which will supply surplus above the required reserves in amounts sufficient to take care of an extra-tabular mortality on extensions of from 10 per cent. to 20 per cent. The paid-up options, per contra, signify less risk and will supply, especially if based upon a 3 per cent. reserve, a handsome profit from surplus interest. In my judgment, there continue to be good reasons for holding the question open as to which of these options, the extension or the paid-up, should be automatic from the standpoint of management, but there is no longer any room left for objecting to making one or the other so, at least.

With this matter thus left in abeyance, or left to the determination of each company for itself, to be checked up and revised as its experience may determine, it is now proper to conclude: From the viewpoint even of the exceedingly active, energetic, broad-minded administration which American life insurance as a whole today possesses and displays, the average policy of life insurance has been made as nearly perfect as it can be made, that it

meets every legitimate, natural and business need of the people, that it does more work and better work for the average man than ever before, that it cannot be improved so much to the advantage of the buyer as to the profit of the seller, and, finally, that in this view of modern life insurance practice it raises the question, by me considered as entirely worthy of examination, whether it is true or not, as so often claimed, that life insurance costs more now than formerly. It certainly promises vastly more service and gives more service now than formerly and it also distributes and applies the benefits of that service much more fully, more directly, more frequently and more universally today than formerly. In short, the business has been constantly improved in its purely scientific or semi-scientific aspects. The basis of its calculation and the policy based upon that calculation appear to be very satisfactory today. The case is not made out by reference to a single instance but by service to the mass. I submit for proof the policy which has been so coldly described in this paper but which so warmly supplies its protective benefits at the call of the insured.

It was my original design to have covered in this address a fairly complete reference to public supervision of life insurance, to the inequalities and inequities of its taxation, to the burdens upon the business which non-uniform laws supply, to matters of competition and solicitation, involving the organization, direction, compensation and perpetuation of managements in the field. But to do this, it is found, will carry this paper to an unholy length. I wish merely to add that not the least noteworthy and admirable addition to current practice is the admission of woman on the same terms substantially as those enjoyed by man. Out of fifty great and important companies, only one today declines absolutely to take a woman. There are certain rules of selection, of course, and rules of such varied nature as to sustain the criticism of the sex by Vergil that woman always was a variable and changing thing. It rather proves that she is viewed today, as she was then, with more or less uncertainty and with, perhaps, an insufficient knowledge of her on the part of men. Yet the fact is that the life office has honored its business by admitting women to a share

in its benefits and the prospect is that certain tid-bits of discrimination now in vogue against her acceptability as a life insurance risk will gradually disappear and give place to a more rational underwriting judgment, as has been the case with questions of occupation and of residence on the part of man. It is not necessary to lumber this article with all the eccentricities of exception to women which the practice displays, including questions of age, marriage, amount, kind, beneficiary, etc., etc. Nothing has come to my notice which would lead me to consider women as less desirable risks than men, subject to the sole conditions that the opportunity for their selection shall be as fulsome and their insurable interest as great.

If then today we could obtain a somewhat reduced and a uniform taxation, if the laws supervising the business could be made to bear evenly and be uniform also, if the never dawning days of absolute non-rebating were only here, if twisting might become a myth and the comparative ratio wing its flight to its own sphere of dreams, if only the broker would break and the rounder become square, if only agents would stick and old business renew, and if it only did not seem so necessary to meet the annual requirements of a fixed new business stunt, conditions would all be fairly pleasant, with little room for complaint. Yet even with the little troubles suggested, and some others might be added, it is still true that we have reached a time in the history of our business when, by mutual consent, we may review its past with pride and look forward to its future with every expectation of its continued progress and growth. For the size of its dealings, its extensive spread and enormous influence need not be viewed with anxiety, since its response to the requirements of the world's needs itself explains that fact. What we must be concerned about is this, to keep the practice right, to hold firmly to correct assumptions, to insist on ample reserves in support of the promises and to have those reserves invested in solid and permanently safe securities everywhere. The law of distribution and the law of competition, coupled with the compulsory law of repayment, will keep these great funds in full motion everywhere, affording stability to homes, business and government and enormously contributing to the equaliza-

tion of public burdens, general education and national thrift. Life insurance is an institution of the people and it must be great if the people are to be served and well served. What a splendid opportunity, then, and what a great honor belongs to you, who have stood before and today stand in the very forefront of this stupendous work. Your companies were never better organized, more fully equipped for work, of greater experience or more solid and substantial than they are today. Your life insurance market was never more firmly in possession nor more appreciative of its needs and reliance upon your promises than it is today. Your contracts of insurance have never before reached the high point of merit and sufficiency which they possess today. And your profession never before enjoyed such universal recognition or called upon you for greater evidences of character, integrity, energy and ability than it does today. In a word, the institution of life insurance, as you represent it, has proved its inherent capacity for continued existence and improved service; and its benefits to the race, under your administration of its most important and useful work in the field, will continue to increase and multiply and fall, as if from heaven itself, like showers that water the earth.

Mr. Thomas H. Bowles—I move that a rising vote of thanks be offered to Mr. De Boer for his very able and earnest address.

Mr. J. Edward Durham—Mr. Chairman, I had the same thing in mind, and if you will bear with me just a moment, I want to express the same idea. I had running through my mind while President De Boer was speaking, a little story I once heard about Robert G. Ingersoll, in which reference was made by a friend to his habit of criticising the Supreme Executive as to various failures. This friend said to him, "What particular problem of the Supreme Executive do you think you could have solved better?" "Well," he said, "if it had been my place to make these laws, I should have made goodness catching instead of badness." Now, it has occurred to me that the executives of the life insurance companies have practically considered all life insurance problems except that of making goodness catching, and I understand the executive committee of the National Association has that

subject pretty well in hand. We have all enjoyed wonderfully the address of President De Boer, and I just wish to offer a motion that the thanks of the association be extended to him for his eloquent, able and instructive address.

President Ward—You have heard the motion made by Mr. Bowles and by Mr. Durham. Is there a second?

The motion having received many seconds, a rising vote of thanks was tendered Mr. De Boer.

President Ward—Allow me to call attention to the afternoon session which begins promptly at 2 o'clock. You have an hour and a quarter for luncheon, and as the cafe will be taxed to its utmost, I would suggest that some of you, at least, go to lunch at once. The paper for the afternoon is one in which we are all interested, and I hope you will all be in your seats at the opening of the session. We now stand adjourned until 2:30 this afternoon.

AFTERNOON SESSION.

The afternoon session was called to order at 2:30 by President Ward, who requested Mr. Carroll to take the chair. Mr. Carroll having come to the platform and assumed the chair, President Ward addressed the convention as follows:

Mr. Chairman: I feel in the interests of the man who is to succeed to the presidency of the association, as though this association ought to consider some plan, if possible, whereby the burdens which now rest upon the president, may be lightened. I feel that it is the right of any man elected to the office to feel that the association is back of him to its utmost. The position as it is now constituted is almost too much for any one man. While I made but brief reference to this subject in my talk this morning, I feel as though the country ought to be divided in some way, and a certain stipulated amount of work laid upon the three vice-presidents. Since coming to the convention I have heard conversations among a number of the delegates, some favoring one thing and some another. I think we all feel perhaps that the subject at this time should be referred in some manner to the executive committee, possibly, for them to take action on it at a special

meeting, and to report back to this convention. If we can make it possible so that when the nominating committee gets down to work they will not have to suffer one declination after another because of lack of time or strength to conduct the work, it will be of great advantage to the association. This work is worthy of the best kind of care we can give it, and I believe that this convention ought to consider this subject in some manner. What that manner shall be I do not know, I do not pretend to say, but I would like to hear some one make a suggestion on this subject or refer it perhaps to the executive committee.

Mr. Millard W. Mack—Mr. Chairman, I move that the subject be referred to the executive committee and that they be asked to hold a special meeting and report back to this convention before adjournment. I do not mean before adjournment today, but before the Friday adjournment.

The motion was seconded.

Mr. J. W. Janney—I think this subject is of great importance, and, coming from Mr. Ward, who has had his hand and heart in the work for the past year, it should receive serious consideration, and it is with pleasure I rise to second the resolution that has been offered. I should wish very much that the committee might be ready to report tomorrow morning, or, at the latest, at tomorrow afternoon's session, in order that the subject may receive further consideration here if necessary, and that definite action be taken.

The question being put, the motion was carred unanimously. President Ward, having assumed the chair, Mr. Scott announced that the committee on resolutions on the death of Mr. Day was ready to report.

President Ward—We will be glad to hear from this committee at this time.

Mr. Scott, as chairman of the committee, then read the following resolution:

We have heard with deep regret of the death of William G. Day of St. Louis, Mo., and we desire the following minute entered upon our records:

In the death of William G. Day, this National Association has lost a

valuable member of its executive committee, one who was an earnest worker, a wise counselor, a genial friend, and a Christian gentleman, and we desire to express our warmest sympathy to his sorrowing wife and children for their irreparable loss.

W. M. Scott,
James W. Janney,
Graham C. Wells.

President Ward—We will be glad to hear from the committee now which was appointed to prepare resolutions in memory of Mr. W. H. S. Whitcomb.

Mr. I. Layton Register, chairman of the committee, then read the following resolution:

Your committee, which was requested to prepare a memorial of our late member, W. H. S. Whitcomb, beg to present the following:

It is appointed unto all men once to die, and in time to be forgotten, but ere they are lost to memory, it is a sweet privilege to pay tributes of respect to the dead. When the sun goes down beneath the horizon, the heavens glow a full hour after its departure, and when a good man's life sets, the sky of our thoughts are luminous long after he is out of sight.

The hand of death writes "Finis" on the last page of every life. When the story is all told, we may reverently close the book. When the play is acted out to the last denouement, the lights grow dim and the curtain falls, and those who have watched the drama of a well-rounded life, may say with hushed breath, "Oh, it was beautiful."

We lovingly offer this simple tribute to the worth of W. H. S. Whitcomb, a member of the executive committee and one of the original members of the National Association, who has served the interests of life insurance with rare ability and effectiveness for so many years.

I. Layton Register,
Thos. H. Bowles,
J. S. Kendrick.

President Ward—You have heard the reports of these two committees. These reports will be spread upon the minutes according to the motion that was made this morning. Mr. T. B. Merrill of Chicago has a resolution to present.

Mr. Merrill—Mr. Chairman, I have a resolution which I desire to read and move its adoption:

Whereas, The insurance business of the United States has grown to such proportions that in 1903 the American people paid the startling sum of one billion dollars ($1,000,000,000) for insurance, and for that vast

sum had in force on the 1st of January last approximately fifty billion dollars ($50,000,000,000) of insurance of all kinds; and,

Whereas, The combined actual assets of these companies in the United States approximates three billion dollars ($3,000,000,000), two billion two hundred and twenty-six million dollars ($2,226,000,000) of this vast sum being held by the life insurance companies; and

Whereas, It is conceded that the insurance business of the United States has assumed such stupendous proportions that it touches either directly or indirectly more people than any other one branch of business; and

Whereas, The American Bar Association at its recent annual meeting in St. Louis so far recognized the vital importance of this business to the public that it adopted a resolution to amend its constitution so as to provide for a standing committee on insurance law, said committee to have power to take any steps necessary to bring about all needed reforms in the insurance laws in the various states of the Union;

Now, Therefore, Be It Resolved, That we, the life underwriters, in National convention assembled, do hereby give our most hearty approval of the appointment of this committee, and pledge it our every assistance and most earnest support in its efforts to reform, strengthen and unify the insurance laws of the various states of the Union.

Be It Further Resolved, That a copy of these resolutions be sent to the Honorable Henry St. George Tucker of Lexington, Virginia, president of the American Bar Association.

President Ward—Gentlemen, you have heard this resolution. What is your pleasure?

Mr. L. Brackett Bishop—Mr. Chairman, I take pleasure in seconding the motion to adopt that resolution.

The question being put, the motion was carried unanimously, and the resolution declared adopted.

President Ward—This morning we had the pleasure of hearing from the executive department of the life insurance companies. This afternoon the pleasure is ours of hearing from the actuarial department of the life insurance companies. I remember one of the first curiosities which I had in connection with a life insurance company

was to see what a real, live actuary was like, and to know something about the problems with which that department deals. I am still in search of the latter, although I have met a number of the former. It gives me pleasure this afternoon to present to you Mr. Edward J. Sartelle of Worcester, Mass., actuary of the State Mutual Life Assurance Company, who will present to you a paper on "The Necessity For and Uses of the Actuarial Department." Mr. Sartelle. [Applause.]

Mr. Sartelle—Mr. President and Members of the National Association of Life Underwriters: It has been my privilege and my pleasure to have been present at the opening meeting of your association. I marked with greatest satisfaction the intelligence, the brotherly feeling exhibited, and the enthusiasm with which you entered into the subjects presented by the learned gentlemen who addressed you. Then I had that experience that I suppose has come to every human being, particularly as he grows older; there suddenly comes to him the realization of a lost opportunity. Why, years ago I was eligible to membership in this association and had I not left the missionary branch of the business I would not have been in the position that I found myself this morning. I appreciate the difficulties, the discouragements that you labor under many times. I also know that feeling of triumph when you have successfully convinced a man that it is his duty to insure, and I know with what a feeling of pride you pocket the application that has been signed on the dotted line.

That the fundamental principles of the business in which we are engaged have been so often disregarded or entirely ignored in the attempts to establish rival systems, that merely incidental elements have been exalted into such undue prominence that these fundamental principles are sometimes overlooked, and the lack of knowledge so often displayed on the part of the general public in regard to what can reasonably be expected, lead me to

call your attention to the very elements of the business, even at the risk of being tiresome and disappointing, and leaving unmentioned interesting subjects which lie at hand.

The uncertainty of the duration of the individual life, and the certainty with which can be predicted the diminution in numbers and the final extinction of all considered when many lives are taken together, are the fundamental truths upon which the system of life insurance is built. Upon the first truth rests the necessity for, and the desirability of life insurance. Upon the second depends its practicability and certainty of fulfillment. The first truth is axiomatic, and ages ago became proverbial; the second has been established by series of observations duly recorded.

These series of observations duly recorded and properly arranged form the bases of so-called mortality tables, by means of which the uncertainty of life for the individual, (or, as it is more often called, the probability of death) is measured. From the very nature of the case, the element of time forms an important part of any consideration of the duration of life, and the first question which presents itself when an individual life is considered is how long has this life already existed. The answer is in terms of years, and a year is at once the most natural and logical unit of time to be used in the ordinary calculations required. With the element of time is intimately connected, from a practical standpoint, that of interest, and when this element has been added we have the fundamental factors which enter into life insurance calculations. When, however, we measure the probability of death during any year we have at once a ready means of finding the probability of life for that year, for it is absolutely certain that the individual life will continue throughout the year or cease during the year. This certainty is represented by unity. Given then a mortality table and a rate of interest, it remains to convert them into terms of insurance, endowment and annuity.

To quote the words of Dr. Farr—"The rate of premium which must be charged in order to carry out an insurance contract is the problem which stands at the threshold of life insurance." For illustration, suppose all the persons who attain the age of 35 years out of 100,000 per-

sons living at age 10 desire to form an association to insure each individual for one year in the sum of $1,000, which sum is to be paid at the end of the year to the representatives of those who die during the year, and to make it absolutely sure that the money shall be on hand with which to pay the representatives of the deceased members, the payment by the members shall be made when the association is formed. It is agreed that the mortality table to be used shall be that known as the American Table and the rate of interest sure to be earned on the money paid in shall be taken as 3 per cent. To simplify the matter, we will suppose for the moment that there are to be no expenses whatever connected with the association, but that the payment of death claims is the only thing to be provided for. By reference to the table, it will be seen that out of 100,000 persons living at age 10, there are 81,822 living at age 35, and of this number 732 may be expected to die within the year, so that $732,000 will be required at the end of the year to carry out the object of the association. At 3 per cent. interest, this sum will accumulate from $710,680 (nearest dollar) paid down, which sum divided equally among the persons forming the association, gives $8.69 (nearest cent) to be paid by each one. At the end of the year, the $732,000 is in hand, and of this sum those who have died have contributed equally with all other members towards the payment of their own claims. If the remaining 81,090 persons who are now 36 years of age wish to again insure for another year, they must provide for the payment of 737 death claims, or provide $737,000 for the end of the year when the claims become due. This will require the payment down of $715,534 (nearest dollar) which sum divided equally among the members gives $8.82 (nearest cent) to be paid by each one. If this method of yearly term insurance should be continued until the surviving members reached the age of 50 years, the amount to be paid by each one would be $13.38; at age 60, $25.92; at age 70, $60.19; at age 80, $140.26, and at age 90, $441.31.

At the inception of the association, if the plan had been to cover two years insurance instead of one, it would have been necessary to provide in the beginning for the $732,000 to be paid at the end of the first year and for the $737,000 to be paid at the end of the second year.

For this last-named sum interest would accumulate for two years, or in other words $694,693 paid down would amount to $737,000 in two years; $694,693 added to the sum of $710,680, the amount found necessary to be paid down in order to pay claims at the end of the first year, gives $1,405,373 to be paid by the 81,822 members, which divided equally among them gives $17.18 for each one. The $1,405,373 at three per cent. interest amounts to $1,447,534 at the end of one year. The claims of $732,000 are then paid, leaving the sum of $715,534 in the hands of the association. This is the exact amount we have already found to be necessary for the survivors of the original members to pay at the age of 36 to insure themselves for another year. What about the 732 members who died during the first year? In this second case, they paid down $17.18 each, instead of $8.69 as in the first instance, yet the funds in the hands of the association are no greater than they must be to carry out the original agreement. This extra amount paid by those who died must then have gone to aid in paying their own claims. We will carry this one step more. If the original agreement had been to insure for three years, it would have been necessary to provide for the payment of $732,000 at the end of the first year, $737,000 at the end of the second year, and $742,000 at the end of the third year. The amount necessary to be paid down to secure the payments of the first two named sums has already been found, and to this must be added the amount to secure $742,000 at the end of the third year. Here three years interest will be enjoyed, and the sum which will amount to $742,000 in three years is $679,035. This added to the former amount found necessary to be paid down in order to pay the claims of two years gives $2,084,408 necessary to be paid down to pay the claims of three years. This sum divided equally among the original members gives $25.48 (nearest cent) for each to pay. The $2,084,408 in hand amounts at the end of one year to $2,146,940 and after paying the $732,000 due at the end of the first year there remains $1,414,940, this at the end of the second year amounts to $1,457,388, and after paying the $737,000 due at the end of the second year, there remains $720,388, which amounts at the end of the third year to $742,000, the exact sum required to pay the

claims then due. But the 732 members who died the first year, and the 737 members who died the second year, paid more than enough to insure them exactly one year or exactly two years. Yet the association has only exactly enough to meet all claims. What became of these extra amounts? The answer, as before, can only be that it was used in paying their own claims. If more than enough to carry the insurance for one year is paid down, what shall we call the amount left in the hands of the association after the claims of the first year are paid? What indeed but a reserve with which to meet future claims as they become due.

Going back for a moment to our last illustration, we found at the end of the first year after the claims had been paid, $1,414,940 in the hands of the association. This was its reserve. There were 81,090 members remaining, each 36 years of age,and the original agreement for three years insurance has two years yet to run. If we divide this reserve by the number of living members, we find the relative portion of each to be the sum of $17.45, and this is the exact sum we should find it necessary for each to pay down if a new association of 81,090 members at age 36 was to be formed to run two years. In like manner, after the claims of the second year have been paid, we find $720,388 in the hands of the association with 80,353 members surviving, each being now 37 years of age. If we divide this amount into 80,353 parts, we find the relative size of each to be $8.96, and this is the exact sum we should find it necessary for each to pay down if a new association of 80,353 members is to be formed to run one year. In each of the simple illustrations we have made, we have supposed that all the funds of the association were paid down at its inception; that the benefits to be derived from the association came from a single payment. We have also seen that if a yearly association was formed by the survivors of the original members the sums necessary to be paid down increased from year to year varying from $8.69 at age 35 to $441.31 at age 90. In each of these cases, a single year's insurance was provided for. The very fact that single year insurance increases with the age of the member renders it undesirable, particularly from the fact that as the age of the individual advances beyond a certain limit the ability to produce income decreases.

New yearly associations cannot therefore be relied upon, nor yearly insurance in any form; neither can the method of paying for all benefits by a single payment be put into very general use if our association is to continue for any considerable number of years, although such method is absolutely sure. To make insurance practical and within the range of large numbers of persons it is necessary that annual payments may be made.

To return to our illustration of the association formed to insure the payment of death claims for three years. We have found that at the inception of such an association it required to be paid down the sum of $2,084,408 in order that every death claim could be paid at the end of the year in which it occurred without further payments by members. This amount or its equivalent in present worth in some form must be provided. You will remember that in getting this amount we took the sums which at 3 per cent. interest would produce the required amounts at the end of one, two and three years, and that the required payments from each was $25.48. The question now is what equivalent annual payment can the individual pay to accomplish the same results as the $25.48 paid down. It is at once clear that if annual payments are adopted those who die during the first year will make one payment only, and those who die during the second year will make two only, while those who die during the third year will have made three payments. Those therefore who have died during the first and second years have contributed less towards the payment of their own claims under the annual payment plan than under the single payment plan, but it is absolutely necessary that the association have the equivalent of the single payment if the claims are to be paid in full. It is also clear that the association can receive no benefit from interest upon sums not actually paid down, so that it follows as a matter of course that the sum of the three payments made by those who live to pay them will be greater than the single payment, in order to make up the difference in interest earnings by the association as well as for the difference in payments for those who die. It becomes necessary then to find the value of one dollar payable at the end of one year, and of one dollar payable at the end of two years, provided the individual is alive

to pay them. By reference to the mortality table, it appears that of the 81,822 persons living at age 35, 81,090 survive to age 36, and 80,353 survive to age 37; in other words, the probability of living throughout the year of 35 is in the ratio of 81,090 to 81,822, and the probability of a person now 35 living throughout the year of age 36 is in the ratio of 80,353 to 81,822. Combining the first of these ratios with the present worth of one dollar due in one year, and the second of these ratios with the present worth of one dollar due in two years, we find the present worth of one dollar due in one year if a person 35 years of age lives to pay it to be .962188 and that of one dollar due in two years if a person now 35 years of age lives to pay it, to be .925673, so that the present worth of one dollar paid down, which is of course $1, and one dollar due in one year and one dollar due in two years, provided a person now 35 years of age lives to pay them, is the sum of these three values, or, $2.887861. In order to find the equivalent of $25.48 paid down (which sum was the amount of the single payment to be made for three years insurance) we have only to divide that amount by the sum we have just found and the result is $8.8214.

To prove the correctness of the figures requires but a moment. 81,822 persons pay down $8.8214 each, a total of $721,785, this improved for one year at 3 per cent. interest amounts to $743,438, from which claims of $732,000 are paid at the end of the first year, leaving in the hands of the association $11,438 reserved for future claims. 81,090 persons now pay $8.8214 each, or a total of $715,327, which added to the reserve on hand gives $726,766, this improved at interest for one year amounts to $748,568, from which claims of $737,000 are paid, leaving $11,568 reserved for claims to become due at the end of the third year. 80,353 persons now pay $8.8214 each, or a total of $708,826, which added to the reserve on hand gives $720,394, this improved at interest for one year amounts to the $742,000 with which to pay the claims of that amount falling due at the end of that year.

If the proposition had been not only to pay the representatives of those who died during the three years, but also to pay $1,000 to each survivor at the end of that time, we should have been obliged to provide for no more claims at the end of the first and second year, and

for no more death claims at the end of the third year, but to see that there was on hand $1,000 for each of the 79,611 persons shown by the table to be alive at the age 38. The present worth of 79,611 claims of $1,000 each due in three years is $72,855,369, and this added to the $2,084,-408 which we found necessary to pay death claims gives $74,939,777. This sum divided equally among the 81,822 members makes it necessary for each to pay $915.89, or if payments are to be made annually we have only to divide the last amount by the present worth of one dollar per year for three years, first payment to be made down, and the second and third only in the event of the individual being alive, which present worth we found to be $2.887-861, and such annual payment appears, viz.: $317.15.

To prove the correctness of our figures is worth the time it will take to do it. 81,822 persons pay $317.15 each, a total of $25,949,847, which amounts in one year to $26,727,312. $732,000 are paid out for losses, leaving a reserve at the end of the first year of $25,995,312. 81,090 persons pay $317.15 each, or $25,717,693, making with the reserve a total of $51,713,005. This in one year amounts to $53,265,415 from which death losses of $737,000 are paid, leaving a reserve of $52,528,415. 80,353 persons now pay $317.15 each or $25,483,954, making with the reserve a total of $78,012,369. This in one year amounts to $80,353,000. $742,000 are required to pay death losses, and when these are deducted from the amount on hand, there remains exactly $79,611,000 with which to pay the 79,611 survivors. In this case each one of those who died during the first year paid $317.15; those who died the second year paid twice that amount and those who died the third year paid three times that amount and yet every dollar that remained after paying the death losses was required to pay the survivors. These amounts were as absolutely necessary in paying the claims upon the association as were the smaller ones of the former illustration, and the extra amounts paid went to aid in paying their own claims as much as in the former cases. The difference in the amounts required to be paid depend entirely upon the difference in the conditions of the agreement, or, in other words, upon the benefits to be derived.

In our first illustration we dealt with term insurance for one year; in the second with term insurance for two

years paid for by a single payment; in the third with term insurance for three years both with single and annual payments, and in the fourth illustration with endowment insurance by both single and annual payments.

To obtain insurance for the whole term of life we can proceed exactly as has been done in the case of term insurance for three years, adding for each year of the possible duration of life according to the table the present worth of the sum necessary to produce the amount needed at the end of each year to meet the death claims, and having found the sum of all these present worths divide by the number of persons forming the association, and the single premium for whole life insurance will appear. This in turn divided by the present worth of one dollar payable at the beginning of each year during the possible duration of life, the individual being alive to pay it (which can be found exactly as was done in the illustration by taking the sum of the present worths of one dollar paid down and one dollar payable at the end of each year of the possible duration of life, if the person is alive to pay it), gives the equivalent annual payment for whole life insurance. If these payments were to be limited to a definite number of years, as, for example, to ten, fifteen or twenty years, we have only to divide the single payment required by the present worth of one dollar per year payable during the term of years to which the payments are to be limited, the individual being alive to pay it, and the result is the annual payment limited to the given number of years.

In a similar manner we have only to extend the number of years over which an endowment insurance is to be continued, as done in the fourth illustration—providing for death claims to be paid at the end of each year during the term and for the endowment claims at the end of the term for those who survive—and the result is the present value of all future claims, which divided by the number of persons forming the asssociation gives the single payment required of each. This single payment can be commuted to annual payments for the whole term of the endowment insurance, or for a limited number of years as may be desired.

If an association was to be formed to pay the survivors only, at the end of a term of years, no provision would

have to be made for death claims during the term of years, which would materially reduce the amount necessary to be paid.

If instead of paying the full benefit at one time the association was allowed a term of years during which only a fraction of the benefit was to be paid yearly, it is clear that some gain from interest would accrue, so that if the sum of these fractional benefits was to be, for example, $1,000, a less sum than that would be required to be in hand, depending on the number of years during which the partial benefits were to be paid. Or, if the amount in hand was the full $1,000, more than that sum could ultimately be paid if only a portion was to be paid each year.

In finding the present worth of one dollar per year for any number of years depending on the life of an individual, we may take the sum of the present worth of one dollar paid down plus the present worth of one dollar due in one year multiplied by the ratio of the number of persons living at the end of the year to the number living at the beginning of the year, plus the present worth of one dollar due in two years, multiplied by the ratio of the number of persons living at the end of two years to the original number, and continue the process for as many years as may be necessary or until the end of the table in the case of whole life. This gives the value of the series of annual payments of one dollars payable at the beginning of each year. By simply omitting the present value of one dollar paid down, we have a series of annual payments of one dollar payable at the end of each year.

When we have multiplied the present worth of one dollar due in any number of years by the ratio of the number of persons living at the end of the same number of years to the number living at the beginning of that period the result is the present worth of one dollar due in such number of years if the individual survives to pay it, or, on the other hand, it is the present worth of on dollar to the individual if he lives to receive it. Thi value is called the simple or pure endowment, and th sum of such simple or pure endowments for each yea for any series of years, or for the whole of life, is th annuity for that series of years, or for life.

In the actual computations required for the finding of annuity, insurance and endowment values the work can be greatly facilitated by the use of certain preparatory tables—the results, however, are the same, and the fundamental principles are the ones we have now considered.

It is not necessary to have an intimate or working knowledge of these preparatory tables in order to understand the principles involved in life insurance, but an understanding and ever-present realization of those principles is greatly to the advantage of everyone.

Annuity—insurance—endowment—these three, based on a mortality table and an assumed conservative rate of interest.

In the illustrations we have used, the supposition was made that there should be no expenses whatever connected with the association, and the payments, or premiums required have been computed entirely exclusive of any provision for expenses or unfavorable contingencies. The payments so computed are known as net premiums, and they cover the payment of claims only; claims arising solely on annuity, insurance and endowment elements.

Expenses, however, are unavoidable, and are as legitimate as claims, and unfavorable events should be provided for. This provision for expenses and unfavorable contingencies is made by adding to the net premiums certain sums. The sums so added are called loadings, or margins, and the sum of the two, net premium and loading, is the loaded, gross, or office premium in distinction from the net premium. The methods of loading are various, and need not be enumerated here. The point to be borne in mind is that the loading is for expenses and contingencies. In determining the net premiums the mortality table and the rate of interest are the two indispensable factors. If the actual experience of the association should prove to be less favorable than the table, that is, if there should be more deaths than were anticipated there would be more claims than provided for. If the rate of interest actually earned proved less than that assumed, the amount on hand when the claims became due would be insufficient to pay them. It is of the utmost importance, then, that a conservative table

be adopted, as well as a conservative rate of interest. Should the actual experience of the association prove more favorable in regard to deaths, or should the interest actually earned exceed the assumed rate, there would be left in the hands of the association funds arising from the net premium payments, and should the actual expenses and unfavorable contingencies be less than the loading provisions, there would also remain in the hands of the association funds from this source. The sums so remaining we ordinarily call surplus. The principal source from which surplus can arise are favorable mortality, excess of interest, and saving in expenses. In order that the association may have a mortality experience at least as favorable as the table indicates the medical profession is enlisted, and if by its aid the experience is more favorable surplus is made.

That the reserve be made to earn the assumed rate of interest, the financier and banker is engaged. If the rate of interest can be brought above the assumed rate with safety to the investment, surplus is made.

That the business of the association may be carried on and perpetuated beyond the lifetime of the original members the manager and agents are required, all working together towards the carrying out of the original plan. If this work can be done within the provision for expenses, surplus is made, but surplus is an incident to the fundamental proposition, and when once acquired, although a source of strength, and within reasonable limits a thing greatly to be desired, is often the cause of much trouble. To divide surplus equitably, due regard must be had for the different sources from which it has been obtained.

In our simple illustrations, we have considered the members as all of one age, and entering at the same time. This restriction can be removed as soon as we have found the required premiums for all the ages, for the different values required during the continuance of the insurance can be computed from the individual standpoint. So long as the association is composed of a sufficiently large number of persons it is not necessary that they be of the same age, or of the same date of membership, or be insured for indentically the same benefit.

A great variety of benefits may be provided from the

three elemental forms, annuity, insurance, endowment, for they may be used singly or in combination, and the combinations may involve the different elements in different degrees, but whatever form of benefit is desired, its present worth, or the equivalent of the present worth must be provided for, as well as an allowance made for expenses and contingencies.

Illustrations for substituting a series of yearly benefits for a single benefit may be given. In lieu of the association paying $1,000 at the death of an individual, or at the end of a term of years, it is proposed to pay say $50 per year for twenty years. It is to be noted that this series of payments is absolutely to be made without reference to the life or death of any individual. Such a series of absolute payments of one dollar per year is called an annuity certain, and is based on interest only. It is found by adding the present worth of one dollar down, if the first payment is to be immediate, and the present worth of one dollar due at the end of each year of the series except the last. This annuity certain multiplied by the yearly benefit gives the present worth of the series of benefits. At the rate of interest we are using this annuity certain for twenty years, first payment immediate, is $15.32, which multiplied by 50 gives $776, the sum necessary for the association to have on hand when the first of the series of payments becomes due. This illustration shows why in actual practice the premium for an instalment benefit of the ultimate sum of $1,000 is less than that for $1,000 to be paid in one sum. Had the first payment of the series been due not at the beginning of the first year but at the end, our annuity certain would consist of the sum of the present worths of one dollar due at the end of one, two, etc. years up to and including that for the 20th year, or in figures $14.88, so that a benefit of $50 per year for 20 years under these circumstances would have a present value of $744. If in addition to this there was to be a further benefit of $1,000 to be paid at the end of the 20th year, we should have to add the present worth of $1,000 due in 20 years, or $554, making the present worth of such a series of benefits $1,298, or in round numbers $1,300. In lieu of paying $50 in yearly payments the association could pay $25 in half-yearly instalments and the present value would remain

practically $1,300. This last series of payments is the basis of the so-called 5 per cent. gold bond contracts. It would be as easy for the association to pay $80 per year for 20 years as to pay $50, if it had the present worth of such a series of payments in hand, and as easy to pay $1,-250, or any other sum, at the end of the series as to pay $1,000, if it had the present worth thereof. Why not have a $1,000 20 year 8 per cent. gold bond redeemable at maturity for $1,250? The methods of settlement are incidental to the business; the business itself is life insurance.

We have repeatedly spoken of the present worth of the benefits to be granted (or the benefits to be received, as we look at them from the standpoint of the association or from that of the individual), or of its equivalent in annual payments. When a single payment is made for any promised benefit, the association must carry out its promise, for it has had value received. If, however, the single payment is commuted to equivalent annual payments, the full value has not then been received, and the full promised benefit must be conditioned upon the receipt of the annual payments as they become due. Should these annual payments not be made, the promised benefit must at least be modified.

Because the present worth of all future benefits, or its equivalent in annual payments, requires, except in the case of yearly term insurance, a payment at the inception of the agreement in excess of the immediate needs for death claims to be paid at the end of the first year, a reserve is established. It becomes a question of great interest as to what is to become of that reserve if the conditions of the agreement are not complied with, and the promised benefits as pre-arranged are not to be paid. This opens up the entire subject of surrender values, paid-up values and extended insurance, into which we cannot go. The matter of such values, however important it may be, is an incident of the business and should not be allowed to overshadow the business itself.

It is useless to say that the work of properly arranging the duly recorded observations in regard to human life, and the forming of mortality tables is actuarial work; that the computation of premiums is a part of the duties of the actuarial department; that incidental to the con-

duct of the business the reserves must be computed; that surrender, paid-up and extended-insurance values must be determined; that the mortality experience of the association, interest and expense results, must be properly worked out; that the surplus must be equitably divided; that proposed new combinations of benefits must be examined; these matters form a part of the routine duties. Whatever in our business pertains to the uncertainty of life when associated with the earning power of money and all the contingent matters depending thereon, is a matter for the actuarial department. Above all, it must be true to the fundamental principles, and insist that no benefit be promised for which adequate provision has not been made.

Gentlemen, I would not have you think for a moment that I have undertaken to belittle the other departments or to unduly magnify that of the actuarial department; that I would criticise in any way any legitimate form by which we can make more useful the payment of claims. Because I referred to what would appear to many of you as an absurd proposition, an 8 per cent. bond that was to mature at a premium, it was not that I might cast reflection in the slighest degree upon that but merely to show that that was an incident to the business, and that it is not necessary for you to believe that you cannot understand the fundamental principles on which this business rests. They are simple and direct, and if I misjudged you in presenting them in a simple manner then I beg your pardon, but gentlemen, I want to call your attention for a moment to the original proposition. We said, "suppose all the persons who attain the age of 35 years out of one hundred thousand persons living at the age of ten years desired to form an association to insure." Can you imagine such a thing as that without the missionary work on the part of the agent. The agent then is the one on whom the actuary must depend for the working out of his carefully pre-arranged plan. The doctor, too, must depend on him to furnish the candidates from whom he may select with care those who are to become members of the association. On him depends the financier and banker of the association that he may have funds to invest; in fact, without the agent no great measure of success can be obtained. [Applause.]

Mr. Danford M. Baker—Mr. President, I move you that we extend a rising vote of thanks to Mr. Sartelle for his very able paper.

The motion was seconded and carried, and accordingly a rising vote of thanks was tendered Mr. Sartelle.

President Ward—This part of the program, gentlemen, is in your hands, and any body of men who are capable of cornering prospects and who have to depend upon their brain and upon their tongue to close those prospects certainly ought to be able to get on the floor and intelligently discuss any one of these subjects. The first subject for discussion is, "Opportunties and Possibilities of the National Association." You will note, gentlemen, that there are five topics for consideration. The first two are on the association movement, the first subject being the National Association; the second the local associations. The third and fourth topics make special reference to the individual duty of the agent; the fifth topic to agency organization. We will not have time to discuss all of these topics this afternoon, but we will discuss at least the first two. This first topic is one in which all of us ought certainly to be deeply interested. The time will be five minutes and at the close of each five minutes the gavel will fall and the speaker will cease speaking, unless the convention wishes him to go on. Then, of course, if the convention grants him that privilege, he may proceed. We have asked different ones to lead off on these various topics and when they have finished, the topic is open for general discussion. If we have anything that looks like an old-fashioned prayer meeting you will be prepared for it. By the way, I am going to call on some of you gentlemen that I know for your expressions, so do not be surprised if you are called upon if the subject lags.

The first topic, "Opportunities and Possibilities of the National Association," Mr. Richard E. Cochran.

Mr. Cochran being absent, the president called upon Mr. I. Layton Register, who was greeted with enthusiastic applause, and spoke as follows:

Mr. Register—Mr. President and Gentlemen: I regard this subject as one of the most interesting that we as

delegates can take up, and in the limited time allotted I thought it due to you that I should prepare a paper more with the idea of making suggestions that you could follow up.

Mr. Register then read the following paper:

The life underwriters' associations represent the producers. They are therefore always interested in the opportunities and possibilities that tend to the improvement of their work.

They have been specially conspicuous in contending for many needed reforms in the business. While much good has already been accomplished, there are greater opportunities in store before the millennium arrives.

While these dominating qualities have naturally brought the associations into deserved prominence, they are chiefly notable for the nobler part they have played as evangelists of peace and goodwill in overcoming the asperities arising from the sharpest kind of competition in the world.

Let us bear in mind that the highest and purest conceptions we can possibly form, are still narrow and incomplete, and that so far from limiting them by what we esteem possible, we must give them wings to take a higher flight, by faithfully and loyally endeavoring to bring our practical life up to the standard.

This is the altruistic side. When a man decides to engage in this business, it should mean that he desires to live up to the best in his calling. If he proves this by his conduct, he becomes a better agent for associating with others of like desires. The opportunities for good are then unbounded.

No man lives wholly unto himself. He is not only a part of his race, but of the particular profession in which he is engaged. His centre of influence is the community where he does business, and the possibilities of that influence are either good or bad, according as he sets the example.

The purpose of the association is to encourage the best traits in the work and among the workers, and to spread this humanizing influence until it shall embrace all agents. The association then becomes great as a river does by the additional streams swelling its volume and augmenting its force. But like the ocean that gathers all into its mighty deep, and yet is never full, so the associations are richer because of the influx of good men, upon whom its future possibilities depend. But with right material and right methods, its continued success is assured.

To maintain our proud position will require the constant renewal of our faith in the righteousness of our cause. This is fully realized by those who are earnest workers. They believe it, because they know that the association is the exponent for co-operation in accomplishing the best things in the business.

There are few who prefer not to do right. It is not so much the lack of conscience as the dullness of conscience that is responsible for much of the bad methods in any business. We preach beneficence, let us improve the opportunity to practice good-will.

We stand not alone as the representatives of great, comprehensive and powerful corporations, but for individual worthiness before men. It is an honor to be the embassadors from such courts.

Realizing its possibilities, let us resolve that our work shall be distinguished by high character and willing service, and the consecration of our best efforts.

President Ward—We will next hear from Mr. W. D. Wyman of Chicago, ex-president of the National Association. [Applause.]

Mr. Wyman—Mr. Chairman and Gentlemen: I believe I was asked some time ago to aid in opening this subject. Perhaps to my shame I say it, but I have not had an opportunity to prepare myself for it, though the subject appeals to me very strongly. It seems to me that this great convention of representative field men from all over the country demonstrates very fully that the National Association has, up to the present moment, improved every opportunity in its power to spread the good work which it has attempted to accomplish. It seems to me that the opportunity of the National Association

is in organized effort, through its officers, to carry on a campaign of persuasion and education. In referring to persuasion I mean that we should send out our presidents, vice-presidents and members of the executive committee into all of our large centers and persuade men to join our association. When we persuade them to join the association we have only commenced the work. The next step and one which it seems to me we should follow vigorously, from one year to another, is that of education. Men do wrong because in many instances they do not know what the right is. They are educated by their leaders in wrong channels; they are taught to do wrong, and it seems to me that if we can persuade them that the only proper way to conduct our business is along upright and honorable lines, they will gather much more comfort and happiness from our business; it will bring them in happy relations with their fellow citizens, the public and with the officers of their companies, and then we will have accomplished a great result. Let us show these men who do wrong through lack of knowledge and improper training, what is right and what is wrong. From one administration to the other it seems to me our work is that of education. That is all that is needed, education, and to stand side by side until we shall form strong attachments that have no limits. [Applause.]

President Ward—This concludes the list of those who were previously asked to speak on this subject. We have here in the hall one of the officers of the National Association who has done good work, one to whom I referred in my report, and I should like to hear a few words from Mr. Danford M. Baker of Chicago, our second vice-president. [Applause.]

Mr. Baker—Mr. President and Gentlemen of the Association: "Opportunities and Possibilities of the National Association." Mr. Wyman and Mr. Register have certainly covered the ground very fully, but I want to call your attention to one point. I believe that the gentlemen

who are to continue this work, the work of the National Association, spreading the gospel, so to speak, ought to be encouraged and their expenses should be paid. The men of this organization I believe would be glad to contribute to a fund necessary to pay the traveling and legitimate expenses of the officers of this organization. I believe if their expenses were paid we would find that the vice-presidents would be more apt to continue the work with a full heart and soul. I believe, furthermore, that we should have a permanent secretary, a man who shall be paid a regular salary, and can give all his time to this work; who can look after the files in the office and have them continuous. In other words, a definite and permanent policy to be established and maintained by this organization. This matter, I believe, has already been referred to the executive committee, and I hope that committee will make a recommendation along this line.

I thank you, gentlemen. I had not prepared myself to make any remarks on this subject but I am heartily in favor of having some money back of this proposition so that it can be prosecuted in a vigorous manner. [Applause.]

President Ward—Mr. William M. Scott of Philadelphia.

Mr. Scott—Mr. President and Gentlemen: I think when you consider that the first life insurance company was organized in 1750 something, and we went along without any association until 1872, without any National Association until the last fourteen or fifteen years—we were organized I think in 1890—I believe you will find that from 1890 down to the present time we have embraced all the opportunities that could possibly have been embraced. So I think there is a great future for the National Association. I believe we are still in our formative stage. I believe in everything that has been said concerning it, both in our president's address and in the remarks of the gentlemen who have just preceded me, but I think after awhile when we get all the associations in, as they will

come in, we will then become solidified, if I may use the word; we will become a compact body. We cannot do this all at once, it must be a matter of growth with us, and we must be prepared for lapses, but those which survive as an association will become a compact body and then we will go forward with full force and the potency of this National Association will then be felt to its fullest extent, but not until then.

But what can we accomplish? Well, I am looking forward to the time when the gentlemen from this association, if we have anything to present to the officers of the different insurance companies, will find that they will look on us as a co-ordinate branch and will receive us and listen to us. Not through petitions, because I was impressed with what our president said about there being very little force in a postage stamp, but they will receive us and shoulder to shoulder, listen to what we have to say and be prepared to act on our suggestion. That, I think, is among the possibilities. I think the time is coming when they will say, "Gentlemen, what do you want?" We will be reasonable in what we want and they will listen to us and we will accomplish just what we are after. Let us hold fast together. If we have any lukewarm people in our districts, gather them into our association and let the association gather them into the National Association. Then go forward and we simply cannot predict what can be done.

President Ward—Who is the next speaker on this subject?

Col. W. H. Hart—Mr. Chairman, I hesitate somewhat to speak upon the subject that has been given to the association for its attention at this hour, but in my judgment the president in his address this morning struck one or two key notes that can well be adopted if the National Association becomes a living force in the insurance interests of the country at large. It seems to me that this association, if it is to be an association in fact, and

is to have for its aim to be such an association as will develop the best interests of the profession, it must in future work along the lines of education and organization. This association can be of great force if it is practical and not theoretical. There is a great work to be done if the field force of the insurance business of this country is to work to the best interests of its membership. That in my judgment is along the lines of education, and there are no better educators than men who have been successful in field work in insurance interests. I believe the insurance business is as much a profession as that of the lawyer, the physician, or the clergyman, and that insurance agents should be educated and taught that there is a principle of honor in selling insurance.

We in the West are cursed with people who are not insurance agents in fact, but devote a portion of their time as helpers, and a large portion of their premium in giving rebates. I think one of the premises of the real insurance forces is to see that in the legislation of the country something shall be incorporated in our laws providing at least that an insurance agent to be licensed must be in the insurance business, and it would be far better if we could strike at the curse of rebating, as has been done in the laws of several states, which has resulted in practically prohibiting the giving of rebates. We have got to apply it by stages. The first insurance agent that I ever saw tried to sell my father a lightning rod, and then wound up by trying to sell him a policy of assessment insurance. Now I think we ought to inculcate among our membership first, honor in business. We ought to inculcate an intelligent knowledge of insurance, and we ought, above all things, to stand together for that which is best for the insurance agent in his business in the field. [Applause.]

President Ward—I would say for the information of the delegates present that Col. Hart is a gentleman who is in a position to know what he is talking about, having been auditor of state of Indiana, and insurance commissioner for Indiana. [Applause.] I see one of our ex-presidents, Mr. Philip H. Farley of New York. We will be glad to hear from him.

Mr. Farley—I was out of the room when the subject for discussion was announced, Mr. Chairman. I would like to know what the topic is.

President Ward—The topic is the first one of the five topics, "Opportunities and Possibilities of the National Association."

Mr. Farley—Well, Mr. President, they are very great. Combined action usually secures the result, and there are a great many results, which, if arrived at in the life insurance business, would be very beneficial to the community at large, and more especially so to the community of interests that are engaged in the life insurance business. The question of state legislation which creeps out every year or two in so many places, with so many peculiar ideas as to what life insurance should be, is one question that should be considered. The question of taxation is another. There are so many different laws that you have to have a printed copy to know where you are at. The question of rebates can be improved, as the previous speaker said, by having people licensed to write insurance and also having them give pretty much all their time to it. There are certain states that have really made rebating difficult, and there are many insurance departments in the various states that are trying to find a remedy for it. There is where the possibilities and opportunities of the National Association can be brought into effect, by giving attention and support to these various questions that I have just enumerated. Try to gain one or two states at a time, where they will put such legislation through as will be of value to the business. [Applause.]

President Ward—Are there others who wish to speak on the subject?

Mr. N. J. Dilday—Mr. Chairman, I expect confessions and testimonials something like those in the Methodist Church would be in line here. I am really a new member. This is the first session of the National convention I have ever attended. Now I am going to speak quite plainly in reference to these associations and why I have not taken a more active stand in reference to the associa-

tion work. I think sometimes we go forward too hastily; we look at a thing and say it is good, and we endorse it without thoroughly investigating it. I can say that in

two other cities where I have been a member of the association I have merely paid my dues once a year and never attended the meetings except three or four times, as I found the same objections existing there that exist in all the meetings I have attended. You see people there who are not there in the interests of the business, but in the hope that they may obtain something useful to them, or they are there for the purpose of putting forward their own personal interests. Then each year about the time delegates are elected to go to the National convention, they gather there for the purpose of being chosen in the hope that it will give them influence with their home people. They get very active about the time delegates are being elected, through this selfish motive. Now I have seen these things in three different cities, and I know the bickering and dissatisfaction that existed, and I know that these men were not gathered there for the benefit of each other, but for the purpose of furthering their own interests.

Now I know bankers have conventions and they get much good out of them, both state and national conventions. In the ten years in which I attended those conventions I know we went there not through any selfish motives, but for the good of all concerned. Now I think if possible we should have it so arranged that when you are a member of a local association that fact should be a card of admittance anywhere. It should be generally understood in all towns and cities that if you have a card showing that you are a member of your local association you are a man in good standing, regardless of what company you represent. Now I do not know as we could say that today, because I know very often we elect people that are not exactly right, but we take them in because of the rush we have for membership; we want member-

ship. It is just like the close of the year in our business when we want a volume of business; we want volume instead of quality. Now then, I don't know but what we might have fewer members and have them more select, and have this card as a member of any local association entitle you to standing anywhere. We are members of a local association, we are members of the National Association, and we have one object in view: not our own personal promotion; not our own agent's promotion; not any individual whatever, but as an association, and until we can lose sight of the little selfish things that have crept into the local associations and also the National Association, we are going to have very few results for our efforts. [Applause.]

Mr. John Dolph—Mr. President, it did not occur to me that I ought to speak a word on this subject, but in view of what has been said by the gentleman who has just taken his seat, I am afraid there is some truth in the statement that speakers sometimes talk most fluently of the things they know the least about. The gentleman refers to the fact that in the association with which he has been connected there was always an increase in interest about the time the National Association was to meet, or when delegates were to be elected. I would like to say for his information that in the associations I know anything about the difficulty has always been to get a full representation to these conventions. If the associations to which he has belonged have been so fortunate as to have always sent full delegations, and others at home were knocking on the door for admission, I would like to be made more familiar with the way of having that condition prevail in the city from which I come.

Furthermore, it seems to me that membership in a local association carries with it the stamp of some standing in the community to which that delegate or that member belongs. I cannot understand a condition, my friends, in which any reasonable number of life insurance general

agents meeting together would consent to elect a member to that association with whom they would not like to associate. That being my understanding of the conditions, I do not see how much improvement upon that can be made, but I do say that I feel that any member of any association could come into these meetings at any time and find a most hearty welcome.

I would say further that there is without the least doubt the greatest possible opportunity for this National Association. It is admitted, if not directly then indirectly, that the possibilities lie in the direction of education. I would like to change that word a little because I think it is greatly abused. I would like to say that the opportunity lies in character building. [Applause.] That is something I believe life insurnace agents think too little about, and if the members of these local associations will take a few calisthenic exercises in the direction of character building, they will find themselves able to go out and meet their fellow citizens with a power of persuasion that will bring about the results which they so much desire. I thank you very much. [Applause.]

President Ward—We will now proceed to a discussion of the second topic. As our secretary is not here I will read a telegram which I have just received from the president of the local association last admitted to the National Association, prior to this convention. We admitted one from Portland, Oregon, at this convention, but we admitted the Los Angeles (Cal.) Association about a week before, and here is the telegram:

Our representation delayed by floods. Have been instructed to invite the next convention to meet at Los Angeles. J. N. Russell represents us on executive committee. He will reach Indianapolis Friday with proper credentials and authority to pay dues.

That, gentlemen, shows you the spirit that is prevailing in association lines in Los Angeles at this time. [Applause.] We will now consider the discussion of the second topic. These two topics intermingle, as it were, and we can say some of the same things on both subjects. This topic is, "What Local Associations Have Accomplished." Mr. Frank Read of Philadelphia has been asked to lead this discussion. [Applause.]

Mr. Read—Mr. President and Gentlemen of the Association: I am surprised at being called upon to lead this

topic. I had thought, Mr. President, that I was to be left out. I regard it a privilege, gentlemen, to address you on the benefits of the association, and being a member of the Philadelphia Association almost from its inception, I can certify that in all the years I attended its meeting it was of very substantial benefit to me. You have got to come together, gentlemen, and rub your intellects together, because you are part of the social organization. No man can be fully alive until he knows something about his fellow creatures. I remember I was not told anything about my fellow creatures when I was a year old; it was when I commenced to go with them, and after I knew something about education and about life, after I got over the baby stage. Now before the formation of local associations, Mr. President, we were antagonistic to each other. The man across the street was our enemy, but when we got to know each other we found that our competitors were reputable persons. [Laughter.] Now that is what we gain from coming together in an association. We learn something of each other and of our business, and it is an education to us. We must rub up against each other, and bring out the good that is in us for the benefit of all. Let us remember that we are a part of the organization and that we are all essential to each other. There never was a man born into this world but had some good in him if it could only be brought out, and it is through these associations and acquaintances we form that this can be done. He must not let it lie dormant, he must come in contact with his fellow creatures in order to elicit the best out of others, and in doing that he will elicit the best out of himself. [Applause.]

President Ward—Our next speaker on this subject is Col. J. A. Goulden of New York. [Applause.]

Mr. Maurice E. Goulden—On behalf of Col. Goulden, I desire to say that on leaving New York he gave me these few remarks, and also desired me to express to you all

his deep regret at not being able to meet his friends here at this convention. I also desire to say that he has been nominated for Congress and has been making a fight there, and that is the reason he is not here today with us.

President Ward—Col. Goulden's paper which he was to have presented will be read to us by his son, Mr. Maurice E. Goulden, who is president of the New York State Association. Why Col. Goulden thought it necessary to stay at home and fight for his seat in Congress is beyond my comprehension, for he is one of the kind of men that the country needs in Washington, and he is going back there whether he worries about it or not. [Applause.]

Mr. Maurice E. Goulden then read the following paper on behalf of Col. Goulden:

This theme would require more time than has been allotted to properly open the discussion.

The salient points only can be drawn out with the hope that others who may follow will do justice to the subject.

The great trend of the century is to united effort through centralization. All branches of human industry are uniting in associations for the mutual benefit and advancement of the members. This is particularly exemplified in the professions—as well as in societies. The medical and legal fraternity have derived special benefit from their respective local, state and national associations. Why should not the field life insurance representatives do the same? The reasons for combining are even greater than in the professions named. The competition and rivalry has been so intense that a regulator is absolutely necessary. The men in this business might very properly be compared to steam engines—which require a governor to regulate their speed. The bringing of the field workers together in social harmony alone is sufficient justification for the existence of these bodies.

It is conducive of good fellowship, of friendship, higher ideals, and a just conception of the courtesies that should prevail among gentlemen in the same calling. This

has been the work of our local associations and in this respect they have been eminently successful.

But there are other sound reasons why these organizations should be maintained and encouraged. Notably from a business point of view. Addresses are made, papers read, and discussions held, all of which has inured to the benefit and advantage of the members.

Many men have received valuable suggestions through this source that has led to greater success, and others have been encouraged to persevere—and thus triumphed in the end.

These associations have done much for the upbuilding of life insurance—and the gigantic strides of the past decade are largely due to them.

It must not be overlooked that these bodies are as yet in their infancy—as time passes and they grow in numbers and strength, greater results must ensue. [Applause.]

Mr. Janney—Mr. President, we are glad to have heard Col. Goulden's voice through his son this afternoon. We all know him and love him, and I feel like yourself, sir, that though I generally vote the other ticket, I would like to have a chance to vote for President Goulden. [Applause.]

President Ward—A year ago we were most beautifully entertained in the city of Baltimore. Not long after that entertainment accorded us the city was laid in ashes. About four weeks after that disastrous affair I called upon some of the good members of our Baltimore Association to express my regret and my sympathy. I found but one had had left him his office, all the rest had been burned out. I called upon a number of them and stated that I was sorry to see the city of Baltimore in ashes and that the city had been destroyed. This one gentleman in particular said, "Baltimore does not consist of the buildings which have been burned, but of the men who are doing business in the city." [Applause.] We have several of those Baltimore gentlemen with us. One of them was very prominent in the work of entertainment last year, was at that time secretary of the association. I believe this year he is president of the association. He has been asked to say something on this subject, and I will now call on Mr. Ernest J. Clark of Baltimore. [Applause.]

Isn't Mr. Clark in the room? I thought I saw him a moment ago. He must have known his turn was coming, and gone out very suddenly. [Laughter.]

I see a number of gentlemen here who are qualified to talk on this subject, and I see one ex-president down there, and as I think all the ex-presidents should be heard from, I am going to call on ex-President Thomas H. Bowles of the National Association. [Applause.]

Mr. Bowles—There is one thing I should like to know, Mr. Chairman, and that is how long a man has got to be an ex-president before he is relieved from these annual stunts. [Laughter.] I had figured out that three or four, three, I believe, of the ex-presidents, had been called upon, and I said to myself, "Why, this is a four-year limit; that lets me out," but just as I had worked out that position for myself satisfactorily you broke up all of my good feelings and called upon me. [Laughter.]

I have been quite impressed with the number of arguments set forth as to why our national and local associations should exist. In a sense it seems to me that we rather put ourselves on the defensive by making so many of these arguments. There are some things which come as a matter of course, and it is not saying too much when I make the statement that associations and organizations form one of the basic principles in our civilization. It would not be possible, if we were to undertake it, to live to ourselves; as long as we are in the world we are a part of the world. It does not matter whether we are in the law, in the ministry, in medicine, in banking, in life insurance, in manufacturing or what not; we have a close and direct association one with another. And it seems hardly necessary for those of us who have been occupied many years in the great business of life insurance and in trying to advance its best interests, to go into elaborate arguments to show why we should exist as local and national associations.

If I were to undertake to give the reasons why we

should be associated in this way I would be embarrassed at the number of reasons which could be suggested. But if I were to give just one reason, Mr. Chairman and gentlemen, I think it would be this, it has just come to me at this moment: that it makes better and stronger and more useful members of our calling. [Applause.] It gives us an opportunity of seeing what is best and strongest and most ennobling in our friends and neighbors and men in the same calling; when perhaps without this intimate association, we would not have so high an opinion of them. If it is worth while to have associations among all the various professions of commercial and industrial life, certainly in this great business of life insurance, which some of us have brains to put in the front rank of all business, reasons are multiplied a thousand fold why we should unite together for the upbuilding of character, for the upbuilding of men, for the advancement of the great cause of life insurance, individually and generally, for the public and in behalf of the great corporations which we represent. [Applause.]

President Ward—Mr. E. J. Clark of Baltimore, the president of the Baltimore Association, has been asked to speak to us on the subject now under discussion. [Applause.]

Mr. Clark—Mr. President, Ladies and Gentlemen: While the question of "What Local Associations Have Accomplished" is not a new one to us, yet as a subject it contains much of interest because of the unlimited possibilities and opportunities for general improvement of the life insurance business that lie within the power and influence of every successfully managed life underwriters' association. It has been my pleasure and privilege to observe, during the past four years especially, some of these most potent influences directed along practical lines, and I speak from practical experience and not theoretical ideas.

If you will pardon me for referring to the Baltimore Life Underwriters' Association as an illustration, it will serve to bring out more forcibly a

few of the accomplishments of association work which have served to dignify the profession in Maryland, eliminate fraud, drive from our state "wildcat" concerns, and establish a bond of friendship and professional courtesy among the general agents and managers that had no previous existence.

The Baltimore Life Underwriters' Association was organized in November, 1900, during a period when there seemed to be a perfect epidemic of spurious life insurance concerns that were springing into existence in our Commonwealth like mushrooms; and, while the association was not organized for legislative purposes—but on the contrary was to be conducted purely along social lines—yet the combined influence of the thirty or more general agents, representing only legitimate and reputable legal reserve companies, naturally asserted itself and began at once to investigate ways and means of ridding the state of these "wildcat" companies which seemed to be multiplying without legal hindrance. Our first discovery was that the Maryland life insurance laws needed certain amendments, and in fact a complete codification, as they were fostering in many ways these very companies that were so seriously jeopardizing the insurance business in the state of Maryland. By a united effort this was accomplished in its entirety at the session of the state legislature during the winter of 1901-2 through the medium of a committee on legislation appointed by the Baltimore Life Underwriters' Association and backed by its influence for the particular purpose in question. Since the above date we have had no trouble whatsoever along these lines, and I dare say there is no state in the Union that is more entirely free from spurious life insurance at the present time than the state of Maryland.

Prior to the organization of the Baltimore Association you could probably not have found four general agents representing old line companies that met together socially and on a friendly basis. Today you will find thirty-four. [Applause.] We had as much animosity and antagonism existing among the general agents at Baltimore as perhaps any city in the United States, as every general agent imagined that the other fellow was doing all he could to knife him. As previously stated, the association was organized purely along social lines and it has

been one of the best social organizations that I have ever had the pleasure of being connected with. The social features of our meetings are varied from month to month and the place of meeting may be at one of the leading hotels, on board a yacht or at some pleasure resort on the Chesapeake Bay. By way of illustration, I would refer to the September meeting, which was held at a casino thirty miles across the Chesapeake Bay, necessitating a delightful two hour yacht trip. We left Baltimore at a convenient hour in the afternoon, and at the casino on our arrival found an excellent dinner awaiting us, after which the business meeting of the association was held. During the return trip our members engaged in a most practical business conference on the vessel, discussing various subjects pertinent to the business. As a result of these meetings—whether they be given on board a steam yacht, at a hotel or where they may be held—you will find the members making business sacrifices for the sake of being present. The discourtesies that existed among them prior to four years ago have ceased to exist, and you find every general agent taking a personal interest in his brother general agent and his business success, the "cut-throat" practices that formerly existed having now become forgotten history. Business has been elevated from every point of view, and especially is this apparent through the establishment of an unwritten code of ethics which every member of the association respects. That certainly is one of the best accomplishments that could possibly be made, as from this radiates all the other advantages that would naturally follow through the medium of such an organization.

Our meetings are not without certain educational features, as we often have speakers at the monthly dinners and especially the annual banquets who are selected from the most representative men of the country—their addresses very often constituting exceedingly valuable additions to life insurance literature. Personally I am an enthusiastic local association man from every point of view, and I am certain that local associations if conducted along proper lines have a greater influence for the upbuilding and uplifting of the profession of life insurance than any other force within our power to devise. [Applause.]

President Ward—I see a number of gentlemen here whom I wish to hear from on this subject. I am going to call on the following gentlemen for just a few words as to local conditions in their own associations, and as our time is limited I shall limit these talks each to five minutes. I am going to call on the following gentlemen: Mr. Charles A. Stringer of the Detroit Association; Mr. Millard W. Mack of the Cincinnati Association; Mr. R. A. Clark of the Pittsburg Association, and Mr. E. M. France of the Cleveland Association.

Mr. France—Mr. Chairman, and Ladies and Gentlemen: Mr. Ward has a motto that we are very familiar with in Cleveland, and I expect to apply that when I get home. The motto is this, "Talk With Ward." You might have given me a little notice. However, the things that occur to me as being the most practical in the working out of our association are first, the twisting of agents. When I went into our association, in taking up the work of life insurance in Cleveland, I found that at the meetings there were usually thirteen to fifteen agents and very seldom a solicitor except the secretary of the meeting. During the last six years the membership has increased to one hundred and fifteen active members, and we now have more solicitors, naturally, than we do agents. From time to time it has been necessary to change the character of our topics of discussion, the speakers and other things, so as to make it interesting and helpful under the changed conditions we find in our increased membership. Recently we took up the idea of having our own men discuss questions among themselves.

For instance, last Monday night the subject of suicide and its relation to life insurance was discussed. As we have many industrial members in our association we had one very able address given to us by the superintendent of the Metropolitan on industrial insurance which was most helpful and beneficial. On the question of twisting agents in our association, I believe in the last six years

during which I have been a member of that association there has not been a case where a general agent has twisted an agent from another member of the association, without the consent of the general agent that was employing him; at least I do not recall such a case. Indeed I have known of several cases where agents wished to change companies, and the general agent with whom they were negotiating, required them to get the consent of the agent they were leaving, and the amount of their balance, if they had any, before he would talk business with them. In one case the general agent thought the man good enough to assume an indebtedness of $400, and ad him go and pay the general agent whom he was leaving.

Another thing that occurs to me is the record we keep of what we call "rounders." We have blanks given to each member of the association, and particularly to the general agent, on which to give notice to the secretary of our association of the name of any man who has sold contracts for him and not done it properly, or not reported on the premiums, or in any way has been dishonest with him. These are kept on file so that if the man calls at our offices to contract with us and we know nothing about him, we immediately consult the secretary of our association. In several instances we have been able to save general agents from employing men or giving contracts where we have had the information to give them offhand.

Another thing that shows the spirit prevailing in our association. In a recent case there was a difference between the agent and the general agent as to the benefits under his contract, the two agreed to put their differences before another company, the general agent of another company, and to allow him to act as arbitrator between them. I think all of these things are indicative of the good that the local association is doing in Cleveland, and while I say we have a hundred and fifteen members at the present time, we took in eight more on Monday night, and we are still growing. [Applause.]

Mr. Stringer—The Michigan Association is now over a dozen years old. It has not as large a membership as the one Mr. France belongs to, but the Michigan Association has a splendid spirit pervading its membership. I

am sure the old members of the association would say this, that they do not find cause for fault in competing with most of the members of our association, largely because of the fact that once a month we meet around some festive board and talk over our matters generally. Another thing, I have sometimes wished we might perhaps have more rules, such as have been referred to here, that is, rules governing the changing of men, the straightening of accounts, and so on. Perhaps that might more properly belong, however, to a general agents' association. The standard of membership I regard as a most important thing for any local association, and wish it might be the same in all associations as it is in ours. Our standard of membership is that a man representing a company must represent a company that has been an old line or legal reserve company from its organization, or at least has been so for the past ten years. This I think has saved our executive committee, which passes upon the applications, some very delicate questions, and some pretty delicate positions with reference to men who would like to come into the association, some of them splendid men too, but whose companies are not of the required standing as regards the length of time they have been legal reserve companies.

I am enthusiastic myself over the local association. I don't care if the town hasn't but half a dozen life insurance men in it, they should get together and form an association. It will do them good in more ways than one. I want to emphasize just that thing: if there are only as many agents as you can count on the fingers of your hand, get them together and form a local association, and then get them to come into this National Association. [Applause.]

President Ward—When the matter of the formation of the Dayton Association came up, President Millard W. Mack of the Cincinnati Association very kindly laid down his work and went with me to Dayton, where we,

together with others of that association, were successful in forming the Dayton Association of Life Underwriters. Mr. Mack will now please tell us something about the Cincinnati field. [Applause.]

Mr. Mack—Cincinnati is the mother, and I might add, almost the grandmother, of our association. We have had in Cincinnati thirty-two years' experience in association work, and our work has been varied. It might be divided into three periods. The first, as I am told, having only been connected with the association work fourteen years, a period of ten years was devoted to trying to regulate our members by legislation within ourselves. The second ten-year period, having found that the legislation manifestly did not prove successful, they simply tried similar legislation, and the third period of our association is nominal legislation. We believe we have in Cincinnati a successful association along our lines. We differ, I believe, from most other organizations. We would rather try to upbuild our association and upraise the members by moral suasion than by legislation. We have been successful in that. We also argue that by meeting among ourselves we will eradicate the feeling that is general among the public in Cincinnati, as I believe it is general among the public throughout the country, that life insurance men are enemies, that they are always fighting one another. Hence this year we instituted a series of weekly dinners.

We have in Cincinnati, as I believe in most of the large cities, an organization known as the Business Men's Club, having a membership of one thousand. On Saturdays there will be four or five hundred of the most prominent business men of Cincinnati come there for dinner, as they do on other days. I persuaded the life underwriters to meet there every Saturday, not a formal meeting; in fact very informal. Just asked them to come and break bread with us as they would have broken bread anywhere else. By our associating together there

we show these three or four or five hundred men that we are not as they thought we were. [Applause.] I have had a very prettily illuminated sign made, and it is hung in the main entrance of the Business Men's Club, stating that the life underwriters of Cincinnati lunch in room 5, or in the private dining room on the next floor. Since that sign has hung in the entrance, I have had many of our business men come to me and express surprise that we should meet that way. One man in particular asked me to come and see him, and when I called he asked me how it was I could break bread with a man where we had been in the very warmest competition only a few days before. He could not understand the proposition; he understands it now. I would offer the suggestion, that we meet on Saturday, as well as any other day, and I believe if other associations would come together at least once a week in a private dining room if accessible, or if not, then in some public dining room or public restaurant, and just show the public by meeting together that they are friends, not only good friends, but friends in business as well, it will have a splendid effect upon the public in general. [Applause.]

The president very kindly referred to my going with him to Dayton, O., to assist in the formation of an association there. I want to say a few words upon that point. I believe it is a great honor to be president of a local association, but with that honor there are responsibilities, the same responsibilities, only on a lower scale, as the president of our National Association has. We can, in our own small way, assist the other associations. When President Ward asked me to go with him to Dayton I felt honored. I went with him and I believe we did some good there. I know I felt very well repaid. A few weeks later I went to Columbus. President Ward could not attend, and he asked me if I would go and I wrote him I would. We formed an association there, and I believe every president of every association owes it to the National Association to do to all he can for the membership. If he has to spend the night on the train, or a few hours in the day time, he should do it, and should visit the associations when they have their meetings. [Applause.]

President Ward—I am glad Mr. Mack brought out that

last point. Mr. Mack and Mr. R. A. Clark, who is to be the next speaker, have, both of them, been most helpful in assisting me in my work. Mr. Clark has visited three different associations at my request, traveling long distances; going from Pittsburg, I believe, to Detroit, to Rochester and to Cleveland. I would recommend that my successor, whoever he may be, make it a point to invite the presidents of the different local associations to assist him in the work of organization, and also to help at the annual banquets of the newer associations. We will now hear from Mr. R. A. Clark of the Pittsburg Association. [Applause.]

Mr. Clark—Mr. President and Gentlemen: I am quite proud of our association over in Pittsburg. We think it is one of the greatest in the country, and that will require me to say that at the national convention last year they had the largest number of delegates present of any association in this country. One reason of our success has been owing to our getting a right start. It has been our custom for a number of years to entertain the new president first. We get him hot from the hands of the association, full of enthusiasm, of new ideas, and this generally lasts us the whole year. Another element of our success is the fact that we go on the old theory that we would rather have a devil we know than a devil we don't know.

Applying that, we feel that we would rather have every man engaged in the business brought under the influence and education that is to be had from our members collectively, than to have him on the outside. So we have arranged our membership fee by putting the burden on the wealthy and prosperous managers and simply taking a nominal fee from the field man, and the result has been that we have been enabled to bring every man, speaking broadly, every man in our jurisdiction who makes a livelihood out of the business of insurance. Our association was never more prosperous than it is at the present

time, and I am very sorry, Mr. President, that our president, Mr. Tillinghast, was not called on to speak in my stead, as he could have told you more in detail of our work. Mr. Tillinghast came to us a few years ago from the Boston Association, and brought with him the ideas of the East and the practical energies of the West, and he is giving us a very successful and remarkable administration.

One element of our success in the past is the fact that we have been able to secure a private room at the Union Club, in which we hold our monthly meetings. We formerly held them at the hotels, but those meetings were not as successful as the ones we are now holding at the Union Club, where, through Mr. Tillinghast, we have been able to secure a room. At our meetings we have practical talks by practical men on practical subjects. We don't pass around the common platitudes or pleasing phrases, but we have what we call a question box, and in that question box every man and any man is allowed to put a question; either to gain information or to call up discussion on a topic that is of the greatest interest to him. The president takes up those questions during dinner and announces them to the members at the table, and the discussions are informal. The man who delights in hearing his own voice, and who desires to develop oratorical power, is permitted to rise. The man who speaks timidly and diffidently, is allowed to remain in his seat. This lack of formality not only interests every member, but makes him feel that he is a part of our gathering and that it is a family discussion at a family dinner table on a topic in which he is most vitally interested, because it pertains to his daily employment, and means of obtaining his daily livelihood. The result is we are brought closer in touch with each other, shoulder to shoulder, man to man, and the discussion goes on, and a stranger who is in our midst would be unable to determine the manager from the common solicitor.

These topics take a very wide range. We have discussed almost everything that pertains to the business. At our June meeting, to give you an idea of the interest we take in these things, the president dismissed us sharply at nine o'clock, but we remained over an hour discussing the topic, and were loth even then to break up

the meeting. This shows that we are not bound together through any particular sacrifice in coming there or to make ourselves seen in public, but because we all have a common interest and discuss it along common lines, and the result is of common interest and for a common good.

President Ward—Regarding the Pittsburg people and the reference Mr. Clark has made to them, I want to say for myself that that "bunch" is all right. They had a candidate of their own at Baltimore, one of the best men in this business, and one of God's noblemen. [Loud applause.] At two o'clock in the morning they dug me out and extended through their president, Mr. Wells, an invitation to visit them first, and I turned down two other previous invitations to be with them first, and was with them first, and their hospitality almost turned my head. The people of the Pittsburg Association are just as cordial as their town is smoky, and while the soot and dirt of Pittsburg may get into their lungs, it does not get into their hearts. [Applause.]

Tomorrow we will have the three following topics, and I will ask the following gentlemen to speak on each topic. This has been a most interesting hour, I know, to all of you. It has been to me, and I think it is really educational, and I hope that all of you will be prepared to employ every minute of the time on these subjects.

On topic No. 3—"The Duty of the Agent to His Prospect": Mr. J. Edward Durham of Philadelphia; Mr. R. A. Clark, Pittsburg; Mr. W. M. Scott, Philadelphia; Mr. J. W. Janney, Chicago.

Topic No. 4—"The Duty of the Agent to His Insured": Mr. L. Brackett Bishop, Chicago; Mr. C. C. Courtney, Kansas City; Mr. Moore Sanborn, New York; Mr. William Van Sickle, Detroit.

Topic No. 5—"The Best Methods of Effecting Agency Organization": Mr. John W. Schell, Philadelphia; Mr. John Dolph, Cincinnati; Mr. J. H. Jefferies, Philadelphia; Mr. Lee C. Robens, Pittsburg.

There is a long telegram from Mr. Plummer, another ex-president. It reads as follows:

Regret exceedingly that I cannot be with you. The association spirit is firmly established in the hearts and conscience of all right thinking men, and means more today for the cause of life insurance and life un-

derwriters' associations than ever. Remember me kindly to all present, and with best wishes for a successful and happy convention, I remain,

E. H. PLUMMER.

On motion of Mr. Scott the convention then adjourned to meet Thursday at 9:30 a. m.

SECOND DAY'S PROCEEDINGS.

MORNING SESSION.

The third session of the convention was called to order Thursday morning at 9:30.

President Ward—I want to call the attention of the convention to the gross carelessness of the local associations in making their reports—or rather failing to do so—to the committee on statistics. The report of that committee shows a loss of 292 general agents. It is a report summing up the reports of the local associations as sent in, and of course we know there has been no loss. There has been a gain in membership, and such carelessness on the part of the local secretaries ought not to be permitted, and I trust when you return to your home associations you will see that the secretary makes accurate reports. There is absolutely no excuse for such carelessness.

Mr. Carroll—Mr. Chairman and Gentlemen: At a meeting of the executive committee last night the following resolution was presented. It was approved by the executive committee and is submitted for approval:

Resolved, That a committee of three, of which Mr. Ward shall be chairman, be appointed by the chair to form a plan to increase the efficiency of the National Association, with power to raise funds to carry out such plan; such committee to act in conjunction with the president and chairman of the executive committee and to report to the executive committee.

Mr. Janney—I move that the resolution be adopted as the sense of this convention and the work therein indicated be begun.

Mr. Richard E. Cochran—I second the motion.

Mr. C. C. Courtney—It must be apparent to every one of the delegates here present that there is more or less apathy in our organization and it will require some special work in order to change present conditions. Some have thought it was an honor to be president of this association, but there are more who have avoided

the honor than those who have sought it, and those who have held it are the ones who realize the amount of work incumbent upon the occupant of that position. In the past we have tried to hold this organization together by relying exclusively upon the president of this association to do the organization work. It is impossible for any man belonging to this association to do his duty to his company and to this organization at the same time. That is to say, to do the amount of work that is absolutely required in order to hold this organization together and build it up to the extent we desire to see.

This matter has been discussed repeatedly and last night it was taken up again at a meeting of the executive committee, and we cannot see how the work can be done unless there is some one especially appointed to do it. I do not think either you, or myself or any other member of this organization can afford to neglect the duties that are imposed upon us as general agents to go about the country visiting local organizations in the welfare of this association and at the same time neglecting those duties which we are especially appointed to discharge by the companies we represent. We must have some special effort by those who are especially appointed for this work and we want an expression of opinion from members of the association who are not members of the executive committee, so as to learn whether or not they will endorse the idea of the executive committee and help us to raise sufficient money to defray at least a portion of the expenses of those who are appointed to go about the country and visit the local associations and help to revive the interest that is necessary to build up this organization.

Mr. Scott—I think we are all in hearty accord with that resolution and will show by our votes that we are.

The chair was here taken by Mr. Carroll.

President Ward—I feel as though a slight explanation should be made to the delegates as to what was done last

night. It was desired that something should be done at this convention to put us in a position where we can organize an agressive campaign. I am unable now to get what I would like to get, but I am glad enough to take anything that you are willing to give, and the executive committee showed a heartiness and concord in the compromise proposition in a way which pleased me exceedingly, and showed me there is plenty of spirit in this association to do what we want to do. This proposition is one looking toward the extension of this association not only in the cities, but in the smaller towns. For instance, there is New York City, with three or four thousand agents in the life insurance business, devoting all their time to it, and an association of a hundred members. As Mr. Brinkerhoff very properly said last night, it is not a question of raising the money, but a question of finding the time. A man in the insurance business in New York has no time to go out on missionary work. In Cleveland we have something over two hundered men devoting their entire time to life insurance and we have 115 in the association. If we had 51 per cent. of the agents of this country in our association there would be nothing that could hold us back. We could dictate the terms on which life insurance should be written.

Now, any kind of a missionary movement gains strength as it goes along. It is like a snowball, the more you roll it the larger it grows, but somebody has got to start it, and we have got to start it if we are going to make a success of it. It will take anywhere from two to five thousand dollars a year to carry this out. It is not to be started in a haphazard way, but in an experimental way. The plan proposed by the committee last night was that the country should be divided among the vice-presidents. These should be selected with great care; should have charge of the extension work under the president, and should get out and devote part of their time and thought to the extension movement. Now these vice-presidents would be willing to devote their time to this work, but it would not be right to ask them to go down into their pockets for all their expenses. That is too much to ask of a man, and the proposition is that this committee undertake to raise funds toward defraying the expenses of the vice-presidents when they

are ordered to make trips by the president, or the president and the chairman of the executive committee. I believe this is a start in the right direction.

In order that we may succeed in this we must have funds and some one very aptly suggested last night that we undertake a campaign for membership in the present local associations, and that the fund secured from this excess membership be applied to this special fund. I like that point. Then it is also necessary that we undertake to raise funds from individuals and from associations. Individuals may contribute to the association and the association give the whole sum or individuals may contribute direct, but we must have the money. If you approve of this plan, back your vote up by your money, and if you do not approve of the plan, vote it down now, and we will know where we stand, but anything like a majority vote for this proposition will mean that this committee is going to come after you before very long for money, and we do not want to be turned down. If you are going to turn us down, turn us down now.

I believe, gentlemen, that this association is the greatest proposition there is in the country today to upbuild insurance soliciting ethics. The life insurance companies very properly leave that to the agency force and if we are going to be satisfied with the conditions that have existed in the past, they are going to permit us to continue those conditions. But if we are going to demand a better state of affairs, they are going to put the stamp of their approval upon any efforts we may make in the right direction. We do not want one dollar from the companies. We want to raise this fund ourselves. We want to be absolutely divorced from the companies in whatever effort we may make, and I trust you will vote with a clear understanding of what the proposition is, and if you are not willing to back it up for your association financially and otherwise, then vote it down. If you are in favor of it, vote for it, and we will remember your vote when we call upon you for funds.

Mr. Scott—Now, Mr. President, just one word in connection with that. I will take the matter in hand personally and I testify for our association that they will comply with the president's request, and will authorize an amount of money equal to that of any other associa-

tion. I think without mentioning any definite amount, if representatives from the different associations here will pledge themselves to make the effort for their association, I think it will be accomplished, and all the money secured that will be necessary.

Mr. Ward here resumed the chair.

Mr. J. Herman Ireland—Mr. Chairman, I beg to state that the Baltimore Association can be called on to do its share.

Mr. Baker—The Chicago Association is glad of the opportunity to contribute to this fund.

Mr. Mack—Cincinnati has never been found wanting and will be at the helm.

Mr. Sanborn—New York will not take second place. We shall march side by side with Philadelphia.

Mr. Joseph J. Tillinghast—The Pittsburgh Association is very glad to join this movement.

Mr. William Van Sickle—So is Michigan.

Mr. F. E. McMullen—The Central New York Association is with you, Mr. President.

Dr. C. H. Philpott—The Iowa Association will do all it can.

Mr. L. B. Hall—Don't forget Grand Rapids.

Mr. E. J. Clark—As a representative of the Baltimore Association I would like to say that our association has already taken action along the line of this character.

Mr. Joseph W. Goudy—Peoria is with you on this matter.

Mr. France—It is unnecessary for Cleveland to pledge itself, for if this resolution goes through the chairman will be with us, and see to it that we contribute our share, but I will say for the Cleveland Association here that we will pledge one dollar for each member.

Mr. Courtney—I want to say that the Kansas City Association, although weak numerically, can be counted on to do what any other association does pro rata.

President Ward—This is a double proposition, Mr. Courtney. It is raising the funds and increasing the membership both.

Mr. Courtney—Yes sir, but we will do both.

President Ward—You have heard the motion. Any more remarks? If not, all those in favor will say "Aye."

The motion was unanimously carried, the announcement of the vote calling forth great applause.

Mr. W. P. Crenshaw—I would like to bring to the attention of the convention a point that has been somewhat overlooked in talks we have had heretofore. I

have met a good many delegates here and I find most of them are general agents of the companies or officers. I think in our local associations perhaps we neglect to bring in the sub-agents, as you may call them, the man with the rate book, the man behind the gun, to the extent that we should do. I think possibly one thing that interferes with our doing this successfully is the fact that most of these men when they start in business are not financially able to pay the annual fee that we have, at least in Chicago, which I believe is about $6 a year. I think, speaking from personal experience, it would be to the advantage of our local associations if in some way that fee could be reduced to new men, to the man with the rate book. The general agents could afford to pay more and it would be to their personal benefit to make some such arrangement, as one other gentleman suggested, in one of the local branches where they only charge the active man a dollar a year. I believe if the general agents would encourage their men a little more, perhaps it would redound to the general benefit of the underwriters' associations, local and national, to a great extent. I offer that as a suggestion.

President Ward—Most of the associations have a smaller fee of one or two dollars for the solicitor. Chairman Carroll has one more report to make from the executive committee.

Mr. Carroll—There has been a suggestion made as to the advisability of reducing the yearly dues. The subcommittee was appointed with ex-President Cochran as chairman, to make a report to the executive committee last night, which they did. The report is as follows:

We recommend that Article II of the By-Laws be amended by changing the minimum amount of the yearly dues to $10 instead of $25, so that the article will read: "Each local association shall pay into the treasury of this association as yearly dues in advance the sum of $10, and $1 additional for each active member belonging to said association on June 1st of each year in excess of ten, etc."

President Ward—You have heard the recommendation of the executive committee. This will admit the smaller associations to membership in the national organization, which is now, in so far as new associations are concerned at least, almost an impossibility. Is there a motion that this be adopted?

Mr. Cochran—I would like to explain the reasons for this change. It seems to me for the purpose of extending the scope and the membership and the influence of this association, that we should adopt this resolution. Remember this requires a two-thirds vote, and it is a pretty important step. There are now 38 or 39 local associations represented in this national body. Of those 13 have less than 25 members. In this case there will be a reduction in the fee that comes to the national body. We must not allow our income to be reduced. Now, in passing upon this, it is virtually a pledge on our part to do our utmost to increase the number of associations, so that the income will not be reduced. Twenty-five dollars is not a large amount of money, particularly to the large associations, but there are many small towns and cities, where we should plant our banners. It seems to be a very hard thing to get twenty-five men, who devote their exclusive time to the insurance business to form associations. You can get ten, twelve, fifteen etc , but there have not been many with twenty-five, and it just doubles the cost to individual members to belong to this national body. There are some instances now where individual members have had to go down in their pockets and make up the difference. This is done to enable small associations to become members and send delegates to this national

body, and in that way increase our interest and usefulness, and broaden our scope generally. We want to pledge ourselves here that we will do all in our power to increase the number of local associations.

Mr. Scott—I move that the recommendation of the executive committee be adopted; that the rules be suspended, and the secretary instructed to cast the vote of this association for the amendment.

The motion was seconded by Mr. Ireland and carried.

President Ward—I have purposely brought this little matter of business at this hour in order that some of our late risers might be with us and hear the most valuable paper which we are now to hear from one of our speakers. In arranging this program we wished to have the different departments of the home office of the life insurance company represented. Yesterday we heard from the executive and actuarial departments and this morning we shall hear from the medical department. Dr. G. Pierrepont Davis of Hartford, Conn., medical director of the Travelers, will present to us a paper on "Certain Risk Impairments and Their Explanation."

Dr. Davis then read the following paper:

Mr. President and Gentlemen: It gives me great pleasure, though modified by a profound sense of my own unfitness, to address such an audience as that now before me, composed of the picked men of a class of workers especially distinguished for their intelligence and skill in the field of activity they have chosen.

For more years than I like to remember, it has been my duty to select the risks for an insurance company, grown during that time to greatness; and it has been my lot, many times of course, to inflict severe disappointment on the agent securing the risk under consideration. Gentlemen, those disappointments have always been bravely borne with a complaisance that commands my highest admiration. But sometimes an explanation

would be asked, and in my younger days, I am ashamed to say, I used to resent this and fail in that courtesy of which so good an example had been set me. But by and by I began to know these men better and to appreciate their high qualities, and I hope I shall never again be too busy to listen to their inquiries, to feel that my time is their time, and to show to them the same courtesy that I have invariably received in my visits to them.

Now, then, gentlemen, it has occurred to me that this is a good occasion to take up two or three of the impairments which lead the companies to modify the form of the policy applied for, and show the reason of their action in such a way as to command your willing acquiescence.

Take in the first place the Keeley cure and other forms of treatment for the liquor habit. These cases present two features upon which home office officials look with disfavor. One is the effect already produced of necessity on the constitution of the applicant, and the other has reference to the improbability of his permanent cure. It may be fairly assumed, and I believe there are few exceptions to this, that no person will voluntarily place himself under this treatment unless he feels the need of it. To do so is a humiliating confession, and we may regard the frequent statements that the applicant has undergone the treatment out of curiosity, or for amusement, or as a prophylactic, or because some of his friends were doing so, with a great deal of distrust. We may be pretty sure that the patient felt he needed it, and if he needed it it was because he had been taking alcohol into his system for so long a time, and in such quantities, that his whole constitution, and especially his liver and kidneys, could hardly have escaped injury. And this entirely apart from its effect upon his moral nature.

The second point relating to the probability of a permanent cure has been carefully studied by those connected with institutions for the cure of the insane, and their deductions may be of interest. The point on which these Keeley graduates lay especial emphasis is that they have no desire to return to their former habits, and could not be induced to drink liquor if it were offered. Now this is the statement invariably made by all patients discharged from insane asylums after treatment for alcoholic insanity. And this was true long before Keeleyism was

thought of. To quote from Dr. Henry P. Stearns, superintendent of the Retreat for the Insane at Hartford, and my predecessor in the medical department of the Travelers Insurance Company, who has placed on record a classical report on this subject. To quote from Dr. Stearns:

"This may be regarded as a peculiarity of inebriates. But the majority of these patients"—that is, those treated in asylums—"had been under restraint and treatment for a few weeks or months only. A period much too brief for the occurence of a radical cure. . . .

"The elements of nerve tissue when they have become disordered in the process of nutrition from unfavorable experiences of any kind are very slow in regaining a state of normal activity. This is the case when the cause may be anxiety, mental strain, or reverses of fortune. But in the case of the confirmed inebriate, the nutrition of the nerve cells has become seriously impaired by an artificial over-stimulation of alcohol, the presence of which may be found in these tissues. In consequence of this . . . the renewal of nerve elements and removal of waste products no longer keep pace with each other, and these waste products remain as poisons affecting the cells themselves and surrounding tissues. . . . This constitutes the true physical basis of chronic inebriety and explains the difficulty which always attends efforts at reform. It may be regarded as the active agent in creating that craving which does not depend upon a temporary impulse which may be easily subdued, but from conditions existing in the central nervous system. . . . In some cases the craving arises daily; in others, at considerable intervals. In one class of cases it arises from the use of alcohol before twenty years of age—that is, while the brain is not yet fully developed. In another, after the subject has arrived at mature age. In all cases a habit is formed. Now, habit of action, even in the normal brain, is so powerful that it has been called a second nature. But here is a habit artificially created by the presence of alcohol, impairing more or less the will-power and moral character of the subject. From these considerations it becomes evident that a cure must consist in restoring the nutrition of the nerve cells and tissues of the brain and establishing again their normal

action. And also that it must require a considerable period of time, combined with suitable foods, total abstinence from alcohol, and, in some cases, medication. The theory that these elements of the nervous system can be suddenly forced back into normal action by the influence of shock of any violent stimulant, or poison of another character which may be introduced into the system for a few days or weeks, is at variance with medical experience in this and all other forms of disease of long duration."

But in the face of this what does the Keeley syndicate claim? Merely that 90 to 95 per cent. of all cases of inebriety can be cured in a space of four weeks by a mode of routine treatment. Now on what is this claim based? Certainly not on any reliable statistics. Those who are not cured certainly do not advertise the fact, while those who are cured come from the most hopeful class of inebriates. "They are of good heredity, mature age, and strong will. They put themselves under treatment voluntarily with the full appreciation of their condition; with a strong determination to get well. The real cure takes place after they leave by the use of such measures as have been indicted above. That so many cases have been reported from Keeley institutes arises from the fact that ten times more cases have been treated there than in other institutions, and the larger proportion are, as has just been said, voluntary, earnest patients who greatly desire to overcome the habit and have come from the most favorable class of inebriates."

Furthermore, some statistics are available. Of the fifty-two cases of alcoholic insanity admitted to the Retreat for the Insane at Hartford during the four years following the introduction of the Keeley treatment, one-third had been graduates of Keeley institutes.

Dr. B. D. Evans, medical director of the asylum at Morris Plains, N. Y., presents a table of eighty-eight cases of insanity, all of which had been treated in Keeley institutes and had been graduated as cured.

Dr. Earnest Schmid of White Plains, N. Y., writes me that of the seven cases from that town that had been treated in the Keeley Institute located there six had relapsed and resumed their former habits. All of these had been discharged as cured.

A doctor, recently a patient in the Retreat, and a graduate of a Keeley institute, says that during the four weeks he was under treatment there was no time when he could not take liquor, and that several of the thirty-five patients did do it every day, procuring it in the village. The physician in charge at the time was himself a graduate of one of the institutes. He afterwards abandoned the business and resumed the practice of medicine, but in a year began again to take alcohol and became a mental and physical wreck. He further states that of thirty-eight patients treated with him fourteen relapsed within a year, and of these three died of Bright's disease.

Another physician who had received the Keeley treatment says that "of the thirty-three patients whom I knew, and who took the cure when I did, I know that over twenty have relapsed into their old habits, some of them after taking the cure twice and even three times."

Dr. R. M. Griswold of Derby, Conn., in his statement before the legislative committee, presented the following figures: Of thirty-four cases from Danbury treated within the last three years he has found thirteen relapses. Of seventeen cases from Derby, Ansonia and Seymour he has found seven relapses. And this does not tell the whole story, for those who have relapsed are not forward or even willing to advertise the fact.

From what has been said it seems clear that the companies are justified in their disapproval of Keeley graduates as insurance risks, because whatever the reason or excuse assigned, we may fairly assume that they underwent the treatment because they had already used alcohol to an extent that must have impaired both their physical and moral nature; in other words, they were confessed drunkards. And, secondly, because it is improbable that the treatment in itself has accomplished any lasting good.

Purulent inflammation of the middle ear, Otitis Media, as it is called on many of the insurance blanks, is an affection the gravity of which is but imperfectly appreciated by the laity, and alas, even by the doctors themselves. Applications for life insurance are presented in which the medical examiner states "The applicant has at times a slight discharge from the ear, but it is of little consequence and makes him no trouble."

Dr. William H. Thomson of New York, in an address delivered a few winters ago before the Section of Otology of the New York Academy of Medicine, uses the following language:

"It often takes us years to learn the relative importance of things. And this is particularly so in medicine. Twenty-five years ago I should scarcely have said, what I now most decidedly affirm, that the general practitioner should feel a greater sense of responsibility when called to treat a case of ear disease than he need feel about affections of all the other sense organs put together. Thus, though it is a terrible misfortune to lose the eye sight, still, it is then one loss only. But a visit to a deaf and dumb asylum, will illustrate the results of an otitis media, in often a full half the inmates, who became not only deaf, but mute for life because, while they were children, the attending physician did not know how to treat the ears properly when they had the scarlet fever or measles. Like many others in my time when I was engaged in family practice, a slight chronic otorrhoea in a child gave me but little anxiety. The mother or nurse were left to attend to that with a few simple and little-studied recommendations. I should no more think of doing so now than I would prescribe an evaporating lotion for an incipient hernia, for such dread consequences I have never seen as those which have come from a slight chronic otorrhoea. . . . With our present status in knowledge, every institution of medical education should insist that its students be most practically trained: first, in the methods for examination of the ear, and then in the most efficient methods for the early treatment of its affections. We need not be surprised at the imperfect diagnoses of many otherwise experienced practitioners, because a satisfactory inspection of the tympanum alone is neither simple nor easy. It requires a good deal of practice for any one, not so much to see through a speculum into this dark hole, but, what is quite another matter, to perceive what he is seeing. If, therefore, the general practitioner finds in time that he is making no headway, never can he be morally justified if he fails to ask an otologist to help him."

The middle ear or tympanum is an irregular cavity placed in one of the bones of the skull directy above the

jugular fossa, which is a great pool collecting all the blood returning from that side of the brain on its way to the heart through the jugular vein. In front lies the carotid canal containing a great part of the blood going to the brain. The mastoid cells lie behind the drum membrane, the external ear externally, the inner ear or labyrinth internally, and the roof is formed of an exceedingly thin plate of bone, which, with the brain membrane, is all that separates it from one of the great lobes of the brain. It is filled with air and communicates with the mouth by way of the Eustachian tube. Considered as a culture medium, it would be hard to conceive of a more favorable situation for the growth of micro-organisms than this warm moist chamber, if in communication with the open air as in cases where a small perforation of the drum-head exists. When once these micro-organisms begin to get in their work there is no telling what the result will be. "Through the agency of one form will proceed a pervading infiltration which breaks through every barrier, bony or otherwise, and burrows in pockets or enters blood channels for the most distant travels. While another, by its feebler toxine, will be resisted by nature's efforts to circumscribe the invader by fibrinous exudates. By invasion through the thin roof we may get abscess of the brain, or septic meningitis; through the floor, thrombosis, with or without pyaemia. By extension backwards we may get mastoid abscess, and, forward, fatal hemorrhage from the internal carotid."

From all this we may readily see that a person with purulent otitis media is beset with many and great perils, and, yet, how lightly this condition is regarded by the medical profession is illustrated by an instance which lately came under my notice.

An application for insurance was made on the life of a boy by his parents. The medical examiner recommended the young man as a good risk. Something in the application, however, led me to suspect that there was something wrong about the ears, and I wrote the examiner directing his attention to this, asking him to report further. He replied by saying that the boy had had scarlet fever in early childhood, followed by a purulent discharge from the ears for a time, but that he was all well of it now, only a few weeks ago he had noticed a little

moisture in one ear which he attributed to bathing, but that it really amounted to nothing and the applicant was a good risk in all respects. This was not entirely satisfactory and I insisted on an examination and report by an expert aurist. Here is the report:

"Case of W. G. B.: age 17; occupation, draughtsman; date of examination, Nov. 20, 1901. Complains of impairment of hearing and discharge from the ears. Duration nearly fourteen years. Had scarlet fever when about three and one-half years of age and has had impairment of hearing in both ears ever since. Hearing is more impaired in the left than in the right ear; has had discharge from both ears off and on. The discharge has been greater and has occurred more frequently from the right ear. It has occasionally been tinged with blood and has been increased by bathing. Family history good. General health, fairly good at present. Has up to recently been rather delicate."

Functional and subjective symptoms:

What here follows is purely technical and need not be quoted.

Discharge: Right ear, intermittant, purulent, occasionally bloody, rather scant, and of exceedingly offensive odor.

Left: Intermittant, muco-purulent, slightly offensive. Respiration chiefly oral; nasal respiration, however, is possible. Deglutition normal; voice muffled, impaired nasal resonance.

Physical and objective signs: Teeth, gums, and tongue normal. Soft palate, uvula and tonsils show signs of extensive sloughing. What remains of the soft palate and uvula is dense scar tissue adherent to the remains of the tonsils and to the posterior walls of the pharynx, almost shutting off communication with the nasal pharynx. Three small fistulous openings permit nasal respiration, but not posterior rhinoscopy.

Otoscopic examination:

Right drum membrane and handle of malleus absent. Mucous membrane of middle ear coated with foetid pus and bleeds readily.

Left drum membrane; large perforation occupying almost entire lower half of membrane. Mucous membrane of middle ear coated with pus having faint odor.

Now this is the report of a case where the agent, apparently misled by false statements, had bitterly complained of the company's injustice in declining a perfectly good risk: where the company's examiner said first, "Had scarlet fever when three years old; fully recovered; had no effect on general health; only slightly hard of hearing." And, subsequently, on being inquired of particularly as to whether or no there was discharge from the ears, wrote as follows:

"When three years old he had an attack of scarlet fever. For several years after recovery he had a slight discharge from both ears for a period of about six years. For the past seven or eight years there has been no discharge, with the exception of about two or three weeks ago, when he had from one ear only the slightest trace, which he thought was due to bathing in the water too much. He now seems perfectly well."

To still further bolster up the case, the boy's father produced a certificate from his family physican as follows:

"I certainly consider your son to be in first-class physical condition. He has entirely recovered from any effects of scarlet fever which would tend in any way to shorten a natural life; he has had no discharge from ears for six or seven years and at his age (sixteen) I do not anticipate any further trouble." Signed by the family doctor.

Now when we compare the statements of these two doctors with the description of extensive sloughing and destruction reported by the aurist I think we may conclude that the statement made early in this address, that the gravity and proper signification of aural discharge often fails of proper appreciation even by the medical profession, is justified by the facts.

While it is true that everybody is liable to have appendicitis (the predisposition diminishing as age advances), it is likewise true that one who has had one attack is pretty certain to have another unless operated upon. The recurring attacks may grow less in severity and frequency and the patient finally make a spontaneous recovery, but this is not the usual course. The patient will sooner or later come to the operating table, or get an attack while in the Adirondacks, or traveling in Wyom-

ing—or some other equally convenient place—in which a perforation may occur followed by fatal peritonitis. In the cases where operation has been performed, and the patient apparently cured, we have to bear in mind the possibility—by no means a remote one—of hernia in the scar; or still worse, the formation of adhesions about the bowel resulting in fatal obstruction. As the skill of operating surgeons has increased, the post operative dangers have so diminished that these are now regarded by most companies as forming only a remote hazard. And most of them, I think, would accept such risks after six months. But when no operation has been done the practice of the companies is so diverse that it is impossible to lay down any general rule.

One excellent surgeon of my acquaintance informs me that he will never recommend the acceptance of a risk that has had one attack without operation, no matter how many years had elapsed. Others, and I think the number of such is pretty large, feel that these cases are safe after two years of exemption, though if there is a history of several attacks, I think this period would be extended. You will permit me to quote from Dr. Albert Wood, medical director of the State Mutual Life Insurance Company, Worcester, Mass., who has written a classical monograph on this subject:

"An applicant who has had appendicitis is an impaired risk. . . . But under what conditions is he insurable? He should have completely recovered from the disease, in all other respects he should be up to the standard of health and physique usually required, and a sufficient time should have elapsed after the attack to show that the probability of the return of the trouble, or the development of any of its remote after-effects, is reasonably minimized. To determine whether he has fully recovered from the ailment, we must rely wholly on the opinion of our local medical examiner, and much will depend on the care and thoroughnesss with which he makes the examination.

"He should obtain a full history of the case, the date of the attack, the form of the disease, its severity, and its treatment; whether there were any previous attacks or any symptoms which might be construed as such. He should scrutinize the abdomen with care for any evidence

of tenderness remaining, of dilatation of the cæcum, of a hernia, of a fistula, or of tuberculosis. . . . When possible, so much of his statement as relates to the history and treatment of the case should be corroborated by the attending physician or surgeon. Many of our medical examiners have a proper appreciation of the importance of an attack of appendicitis from an insurance point of view, and obtain all the above facts and report them to the home office. But I am sorry to say that there are some examiners who merely make the statement that the applicant has had the ailment, without giving any further information."

As to the question of gall stones and renal colic time does not permit me to go into those at length. I will merely say that if an operation for gall stones is done early, before the gall bladder has become diseased (and this the medical examiner must determine for us), the results of the operation are as permanent and brilliant as any in surgery.

The passage of a renal calculus is regarded as a serious impairment, because one attack is almost certain to be followed, sooner or later, by others. The incident is the index to a condition likely to be permanent. These calculi are formed in the kidney, and becoming dislodged pass on into the bladder when the paroxysm of pain suddenly ceases, and unless it forms the nucleus of a stone causes no further trouble. But another and another may form and by their presence set up an irritation in the kidney that may give rise to the most disastrous consequences to that organ. Or it may be retained in its passage to the bladder or even in the kidney itself and so necessitate a dangerous operation for its removal. Or, as just intimated, it may after its passage into the bladder form the nucleus of a stone.

These are all serious conditions and a person with a declared tendency to their development you can readily see should be regarded with disfavor as an insurance risk.

The question of overweight is to my mind the most troublesome the companies have to deal with. The agent presents a splendid looking risk, the picture of health, good family history, and all right in every way except he is overweight, and the home office turns it

down solely for that cause. It doesn't look reasonable to the agent, and I can hardly blame him for feeling as he does about it.

Now while there is no doubt that the Pennsylvania Dutch, for example, with their immense shoulders, deep chests, big bones, enormous muscles and short legs are to be viewed in a very different light from the fat New Englander whose overweight lies principally below the diaphragm, yet we must remember that the report of the committee of the Actuarial Society of America has shown that with the exception of the young entrants, all classes of extra heavy risks (30 per cent. overweight and over), have proved most unsatisfactory, showing a mortality of about 50 per cent. above the expectation.

I have been much impressed with the statement of Dr. Rogers, medical examiner of the New York Life, discussing this question at a meeting of the Life Insurance Medical Directors' Association. Let me quote his words:

"I think that there is only one conclusion to be drawn from the facts, and that is that any company that accepts risks on lives 25 per cent. or more overweight is going to have a high mortality among those lives. From observations of my own I am able to say with the utmost confidence that high mortality will occur whether they are insured on life tables or on endowment tables, and in spite of the care shown in their selection."

In conclusion let me say just a word about the rule in force by many of the companies requiring examinations to be made by their commissioned examiner in the place where this applicant lives or his alternate, and no other.

The company with which I am connected, while it has had such a rule for many years, has only recently insisted on its rigid enforcement in every case without exception. Here is our experience within the first few weeks:

Case I. Applicant examined by the family physician who is not the company's examiner.

This is a very common request on the part of the agent, on the ground that it facilitites the placing of the risk, and is to be classed with those instances, by no means infrequent, where there is personal ill-feeling between the applicant and the company's examiner. In this case we had two commissioned examiners in the

town where applicant lived. The risk appeared, from the papers, to be unexceptionable. The agent was notified that re-examination by the company's appointee was required, and in the meantime the latter, who had learned what was going on, privately informed the home office that the applicant was subject to rheumatism. Six weeks passed by during which the company heard nothing more from this risk. We were then notified by our doctor that re-examination was impossible as the applicant was dead—of rheumatism. The family physician in this case was a graduate of a good school, in good standing in the profession, and apparently well fitted to make life examinations.

Case II. Applicant examined by a graduate of the University of Heidelberg in a town where we had no regular examiner. The application was for a fairly large amount. As presented, all the features were favorable including the family history and personal condition. Re-examination by the company's nearest regular examiner, which was insisted on, confirmed the above until a sample of urine was requested, when the applicant asked that he be allowed to send a specimen. This request being denied, the authenticated sample when examined showed a high percentage of albumen.

Case III. The applicant residing in a small town where we had a regular examiner (and this is a not infrequent occurrence), went to a city sixty miles away and was there examined by the company's examiner. The home office on inquiry of the examiner in the applicant's own town was informed that he was the applicant's family physician and had been for thirty years; that the applicant had, until recently, been an alcoholic and had been treated by him for alcoholic gastritis.

Case IV was a female risk examined by the family physician, who was not the company's examiner; the excuse being that the nearest regular examiner was 15 miles away. Re-examination by the company's commissioned examiner disclosed the fact that though the family physician had made an entirely favorable report of his examination, and recommended the risk as safe, he had said previously to the applicant, "I hardly think you will pass." Furthermore, the applicant was found to be in decidedly poor condition; was subject to nervous

disorder, had kidney trouble, was losing weight, and, in general, presented a very unfavorable appearance.

Cases V and VI are similar, and there are others which time does not permit me to cite. But it seems evident that the experience just quoted of one company within a fortnight after the stringent enforcement of a rule, indicates most clearly that such enforcement is a reasonable demand.

And now, gentlemen, in conclusion, if I have made it clear to you by the few instances I have chosen as illustrations, because they seem to me to be among those that trouble our agents most, that the companies' action in rejecting such risks is justified, may I not hope that you will exercise charity towards us in other cases where the reasons for our action may not be clear to you.

It is a great pleasure to me to be able to assure you that the old feeling of antagonism between the home office medical staff, and the agents in the field, is fast passing away. We have learned to appreciate your efforts to secure for the companies the business which they need and cannot afford, heedlessly, to throw away; to sympathize with you in your disappointments, and to respect you as men. Let us then by forbearance and charity toward one another all work together to place the profession of life insurance where it belongs—on a high plane in the estimation of the community as a benefactor of mankind. [Applause.]

At the conclusion of the reading of Dr. Davis' paper Mr. William H. Whitney of Boston moved that a rising vote of thanks be tendered Dr. Davis, which was accordingly done.

President Ward—This afternoon one of the matters for discussion will be subscribing for copies of the annual report of the proceedings of this convention.

We are now ready, gentlemen, for the next part of our program. The two topics under consideration this morning are "The Duty of the Agent to His Prospect" and "The Duty of the Agent to His Assured." The topic for consideration now is "The Duty of the Agent to His Prospect." This discussion will be led by Mr. William M. Scott of Philadelphia.

Mr. Scott—It perhaps goes without saying that every

healthy man between the ages of 21 and 65 is a prospect, and the best manner to treat him so that he can be landed for the company we represent, is, I suppose, the object of this inquiry.

If we could give any formula which would apply equally to all cases, it would not be necessary for us to longer solicit life insurance, for we could reap a rich harvest from the sale of the copyright which you would all be glad to purchase.

Each prospect has his own characteristics and idiosyncracies—some insure from a sense of duty which they owe to their families; and others for prudential reasons. Some of them, like the mushroom, ripen in a night, while others are like the century plant, and we have all kinds between. Some are impetuous and others phlegmatic; some act at once, others deliberate; some are coarse, others refined; some intellectual, others ignorant; some sentimental, others practical; some confiding, others suspicious, and so we have to deal with every phase of human nature. It is our mission to make a study of each particular prospect, diagnosticate his case and prescribe such insurance stimulants or food as will nourish his mind and restore it to its normal condition, which is a desire to take insurance with you now.

To be able to do this or to fail in doing it is the difference between a successful and an unsuccessful solicitor.

I have often thought that the different arguments that could be used to induce a man to insure now, might be compared to the many medicines on an apothecary's shelf, many of which if taken singly or in overdoses would kill the patient, yet if properly compounded would produce the desired result.

It shows the skill of the physician to prescribe these medicines. It shows the skill of the agent to so use and mix his insurance arguments that the results sought for may be obtained.

You have been able to accomplish this, and now your relations to each other change. Heretofore you have been antagonistic to each other, but now the agent and his prospect are close together and the latter has unbounded confidence in the former.

Do not deceive him in the slightest particular, for one

unguarded misstatement may destroy the confidence which you have studied so hard to obtain.

If you find that he has a policy in another company and is satisfied, do not attempt to disturb it. If you do he will soon see that you are working only for your commission and not for his interest. Besides if you do not attempt to unsettle him, you have confirmed his previous judgment and he is more likely to insure with you, as you have pleased him by commending his former action.

Do not attempt to build your own company up by pulling others down.

Do not offer nor take less than table rate for your insurance. Let him understand that your goods are worth one hundred cents on the dollar and that you cannot take less than their worth.

If you are firm in this position you dignify the profession and you command your prospect's respect.

Do not advise him to take more insurance than he can conveniently carry and only the kind of a policy that you think he should have. Let the commissions you are to get be a secondary consideration. Recollect that life insurance is a profession and the relation you hold to your prospect is something in the nature of the relationship between a physician and his patient. The patient relies implicitly upon the skill and fidelity of his physician, so the prospect consults the agent. The physican would be a very scamp who would advise his patient a long course of treatment solely to increase his fee, and an agent has the stamp of a scamp upon him who would betray a confidence reposed in him by his prospect.

The fee to the doctor and the commission to the agent both come. It may not be as large as it might have been, but it will purchase more happiness and contentment, for it is money earned in duty well and conscientiously performed.

We will assume that you now have your prospect insured, but don't forget that he yet continues to be your prospect. Call upon him occasionally. Be as particular to give him information now as you formerly were, either about your own company or any other. You have only given him facts before and you are not obliged to tax your memory now to remember what you have told him. Do not deviate from facts now nor exaggerate them.

Treat him as a customer or a client and not as a victim, and when he wants more insurance you are almost sure to land him.

Many men take their smallest policies first, and as their income increases take larger ones, and it is for you to cultivate this desire for additional insurance. You must do this delicately but without importunity. Introduce the subject of additional insurance upon all proper occasions, but be very careful not to make yourself a bore.

Many men whom you have insured speak of you as the best informed man on the subject of insurance that they have ever talked to. This is as it should be. You have gained his respect, you have won his confidence and when he increases his insurance, he will certainly send for you if you have continued his acquaintance, and done your full duty.

"Time is indeed a precious boon,
But with the boon a task is given;
The heart must learn its duty well,
To man on earth and God in Heaven."

[Applause.]

President Ward—Our next speaker on this subject is Mr. J. Edward Durham, president of the Philadelphia Association of Life Underwriters.

Mr. Durham—In discussing the topic "The Duty An Agent Owes to His Prospect," I would prefer to treat it in the five minutes at my disposal rather from the standpoint of the qualifications an agent should possess that he may do his duty to his prospect. This topic goes to the very heart of the procurement of new business. To treat it very briefly I would say that the first qualification which I have in mind is competency. It is not necessary in order that an agent may be a competent advisor of his prospect that he be acquainted very deeply or very widely or very accurately with the actuarial construction of the premium, or with the various subjects so exhaustively discussed by President De Boer yesterday, but he should know something as to the basis of the premium,

and how it is made up, and should be well acquainted with the various kinds of policies issued, more particularly by his own company in order that he can offer to his prospect that kind of insurance which will be best adapted to his needs.

Among other subjects with which I think we as general agents should make our sub-agents acquainted, one which in some companies is not of prime importance but in others is very necessary and one much overlooked in the instruction of sub-agents, is the matter of beneficiary clauses. I could speak on this topic for an hour, and in fact have, in the meetings which I hold of my own agents, more than once done so in discussing this very important topic, but can no more than simply hint at it on this occasion.

Dismissing thus briefly the question of the competency of the agent, the next qualification I would mention is that of courtesy. By that I mean that our agents should bear in mind the thought which they are at times disposed to overlook that there are some seasons and some occasions when it is not expedient that an agent force upon his prospect his particular line of business.

It is the part of wisdom and expediency that the agent recognize this so that the idea shall gradually die out among the general public that it is necessary to be on their guard with an insurance agent lest he break in at an inopportune time and that there shall be created in time in behalf of the solicitor in the field that same favorable presumption that accompanies the profession of the minister, the lawyer or the doctor, so that it may be truly and universally said of the insurance agent

> "Still he bears without abuse
> The grand old name of gentleman."

In the next place as a necessary qualification I would name "honesty." By this I do not mean financial honesty, which is common enough, but I mean honesty in statements, honesty in representations, not obtaining the applicant's consent to the acceptance of a contract by false representations or extravagant estimates.

Responsibility is another qualification which should be brought home to and impressed upon every agent. He should feel that he is to a certain extent responsible as a minister of the insurance gospel not only in accurately

representing his subject but in urging it as earnestly as courtesy will permit, for it is the truth that the agent is responsible in a very important and true sense, possibly for the protection of his applicant's old age, but most surely as the adminstrator of an economic force for the protection of that man's family.

In conclusion, the agent should have the qualification of dignity. Dignity by derivation means worthiness. It means trueness to self, and so we would have the field man, in order to properly discharge his duty to his prospect, be true to himself,and we can no better sum up each man's duty to himself and his consequent duty to his prospect than in the words of old Polonius:

> To thine own self be true,
> And it must follow, as the night the day,
> Thou canst not then be false to any man.

President Ward—Our next speaker is Mr. R. A. Clark of Pittsburgh.

Mr. Clark—The last speaker stole my thunder a little and I am going to put the emphasis upon what he said, namely, that my idea of the agent's duty to the prospect is fully summed up in the advice that old Polonius gave his son, namely, "To thine own self be true, and it must follow, as the night the day, thou canst not then be false to any man." Every honest man puts a part of himself into every business transaction; every honest agent looks over the situation after he has once learned it from his applicant, his prospect, as to the age, financial condition, domestic relations, future conditions, as far as he is able to learn them, and says to himself "What policy would I take under those circumstances?" and then sells that man that policy as he understands it under those conditions. I cannot conceive of an agent selling himself an ordinary life with a twenty-year tontine settlement and then talking himself into the idea that he had got a twenty-year endowment with annual dividends. [Laughter.] Now, gentlemen, if he would not do that to himself, he certainly cannot do it to his prospect. He cannot be true to himself and cowardly and dishonest to his applicant.

Life insurance agents are at a great disadvantage as compared with deceivers in other lines of business. A man in commercial lines, for instance, may justify him-

self, though caught in his deception, by saying that he did not know, that he did not understand, but I tell you, gentlemen, the life insurance man knows he knows; that is a part of his business. In the first place, when a man goes out into the field and rises to the dignity of a life insurance agent it is evident that he is sufficiently intelligent to comprehend the rates of different lines of sales. If he does not he never sells the second application, or never gets further than casual business, but the man who lives on the business cannot say that he does not understand. So he is deprived of that bulwark that the average deceiver has in other lines of work. Now, the question as to whether a man would follow that line or not depends upon the character of the man, and secondly upon the education that he has received. Any agent is a fool to be dishonest. A man cannot afford to be dishonest. A liar lies to himself; a deceiver deceives himself, and the robber robs himself. The most pitiable man in existence is a man who leads a dishonest life with himself. When he leads a dishonest life with himself he leads it with the public, and he of all men pays the penalty. The man who gains an application by dishonest methods, by intrigue and deceit, gets the most unfortunate money he has ever earned. It is like a man winning at a gambling table on his first attempt. His good fortune is his greatest misfortune.

Any man who cannot live from his business and do it honestly and uprightly and fairly, in a business where honesty and integrity mean so much as in this business, is the most unfortunate man in any occupation in this world. [Applause.] Nature has to do something for a man in the outset along this line and this association does the rest. [Applause.] Gentlemen, let us look back over the perspective of five years. This is a short period to look back over and ask yourself has there been any improvement in the condition of the business? I do not mean exceptional cases of Mr. A stealing a policy from Mr. B, but I speak of the business as a whole. I am speaking of the personnel which the business maintains at the present time as compared with five years ago. I do not think there is a gentleman present who would dare to say the tendency of business has been backward.

I might use that as an argument and as an incentive

to us who have pledged ourselves to furnish this money, as the strongest reason in the world why we should come forward squarely and manfully and furnish the money that we have pledged ourselves here this morning, because it is of financial interest to every man engaged in the business. The higher the plane on which the business is done, the more honorable the character of our opponents, the more money for us, for the easier we get our business. Gentlemen, when the personnel of the life insurance business is educated to that high moral standard where every man does unto others as though he were the other, we will have no reason to complain of the relation of the agent toward the prospect. [Applause.]

President Ward—The next speaker is Mr. J. W. Janney of Chicago.

Mr. Janney—Mr. President and Gentlemen: In looking over these topics in advance I really intended to say something on the one that claimed the attention of the association yesterday afternoon, but the time was not adequate and I am rather prone to keep my seat when I can. Since Mr. Scott got up and said everything I intended to say, and Mr. Durham said the balance I ought to have said, and the last speaker took everything there was to say, I feel there is very little for me. But the last words of the last speaker were in regard to the Golden Rule, and that is my idea of the relation that the agent has to his prospect. If a man has arrived at the age of understanding and of stature, of responsibility and ability, then his duty to his prospect is plain. He should do for him the very wisest thing. As a rule we go before our prospects as experts in our business. We are supposed to know. The man before us is in the position of a patient before a physician, and our responsibility is to diagnose the case and give the applicant the thing that is best suited to his position. A man who is young and making a little money and has a mother to support or a little family to support does not want a ten-year endowment, and the man who is wealthy and who can draw his check for any amount does not want a renewal term policy, however the apparent cheapness may impress him, and it is the duty of the agent who knows better to show him that for every reason the thing that he wants is something entirely different. And so, not to repeat words

that have been said and ideas that are more familiar to you than to myself, it is the duty of the agent to do that thing, which, if he were in the other position, he would want done to him. That is all; that sums up the whole thing in addition to what has been indicated by the gentlemen who have so ably presented this phase of the subject. [Applause.]

President Ward—Are there any others who wish five minutes on this topic? It is now 11:30 and before taking up the fourth topic we will listen to the second paper set down for this morning. This paper is on the subject of "The Ideal Agency." That is a subject that interests us all, solicitor, general agent, manager, or what we may be. It is prepared by a gentleman who is qualified to write a paper on that most difficult subject, and it gives me pleasure to present to you Mr. Charles W. Scovel of Pittsburgh, the general agent of the Provident Savings Life. [Applause.]

Mr. Scovel—Mr. President, Sisters and Brethren of the National Association: I thank you for your kindly words of introduction. I feel particularly proud at having the opportunity to represent our own membership among this brilliant galaxy of asteroids from the home office, and I believe I include the asterisks from the printing office [laughter] and the general representation of those who can come from the outside and bring to us the treasure of their special expert store of knowledge. As being simply one of ourselves, I am not expected to have any special store of knowledge and can only draw upon the fund that is common to all of us, a fund that has been most remarkably and cheerfully drawn upon by the speakers on the topic who have preceded me, who have indeed stolen my thunder.

Let me hasten to say something in palliation of this high-sounding title. When our amiable committee on program asked me to read a paper before this association they had the unblushing hardihood to name as my

subject, "The Successful Management of a General Agency." Fancy standing up here and trying to tell this assemblage of elders and masters how to run their agencies successfully! I was simply forced to rob the subject of its terrors—and at the same time mete out poetic justice to the committee—by disdaining to accept their title, a merely "successful" agency, and choosing for myself the loftier theme of "The Ideal Agency." For on such a theme, one needs make no pretension, express or implied, of having any actual knowledge at all. Anybody may dream dreams. I cannot pretend even to locate the ideal agency more closely than to say it is in the land where dreams come true. All I really know about that land is the general direction in which it lies. I never expect to see it myself—but I am trying to head that way. Will you join me for a while?

The ideal agency has for its heart and soul the ideal general agent. (You will observe that I did not say agency director.) [Laughter.] And the ideal general agent is made such by the vital force and uplift of the ideals which he himself cherishes and strives to realize.

I have already used that word "ideal" a good many times—and it is a word sometimes sneered at, in this age which prides itself on being "practical." Doubtless the word has been sadly misused, and is therefore often misunderstood. Many have posed as idealists who were only idlers, toying with pretty painted images. Your true idealist is no idler, but an idolizer—an idolator—whose ideal is his idol, to him a living god, and the most positive, powerful force in his life. In very truth, for all of us, our own ideal is the "divinity that shapes our ends, rough-hew them how we will."

An idea may contain the germ of great things; but, so long as it remains an idea, it merely floats in the dim chambers of the mind, a thing lovely but lifeless, until it be quickened by desire and purpose. Once alive, it makes its abiding place in the heart (whence only are the issues of life) and thence its warm impulses throb out to the willing hands and feet. Then it is that we call it an ideal—which is simply a living, working idea, an idea getting into action. Yes, sirs, ideals are in truth the greatest practical forces in human progress. It is the man of ideals who does the things worth doing.

Now for our ideal general agent: To what particular star should he hitch his wagon? First of all, to the pole star of character. He must strive to make his own personality ideal. And I know not where he can find a better type than Chaucer created for us more than 500 years ago:

> A knight ther was, and that a worthy man,
> That fro the tyme that he first bigan
> To ryden out, he loved chivalrye,
> Trouthe and honour, freedom and curteisye.
>
> . . . . . .
>
> And though that he were worthy he was wys,
> And of his port as meke as is a mayde.
> He never yet no villinye ne sayde
> In all his lyf, un-to no maner wight.
> He was a verray parfit gentil knight.

Ah, the master hand has there painted an ideal personality, indeed; an attractive and winning personality—one that deserves, and will always have, the confidence and respect of everyone he meets.

Of course such a personality should be striven for by every man in the world. But it is most of all necessary for the insurance man. The "prospect" is ever coy; he is like Horace's maiden, who whispering "I will ne'er consent,—consented." It is instinctive for him to seem to resist and put us off, even when he knows in his heart that he is going to surrender at the end. And he puts competing agents to the test, even as the maiden holds off her suitors so that in their ardent rivalry the personal charm and force of each will be more fully revealed. To gain a favorable hearing of our proposal, nothing counts so much as an attractive personality—call it magnetism, hypnotism, or whatever you please. And we never can get favorable action on our proposal until we have first got our man to place confidence in us personally and in our representations.

What is true of the impression made on the prospect in occasional interviews, is vastly emphasized in the more intimate, continuous relations that the general agent bears to the soliciting agents on one side and the home office on the other. Sometimes the outsider may be fooled by a mask; the insider will soon distinguish the

true from the false. "No man is a hero to his valet." It is imperative upon the general agent to be; not merely to seem. Without the loyalty of his own force, and the confidence of the officers behind him, he cannot really succeed. These he cannot possibly get and retain, unless he rings true whenever and wherever you strike him.

So much for the purely personal side, the man as such. In his capacity of general agent he must have also the ideals peculiarly belonging to his chosen calling. Our "verray parfit, gentil knight," though he bore himself "as meke as is a mayde," was none the less a past master in his real business of fighting:

> " At mortal batailles hadde he been fiftene,
> And foughten for our feith at Tramissene
> In listes thryes, and ay slayn his foo."

Our ideal general agent, too, must have proved his prowess in the field while winning his spurs. And now, on taking command of a troop, the very first requisite is for him to get a comprehensive view of the lay of the land, the relative positions of the forces, the general plan of battle.

Here we come to what I verily believe to be, among the many high ideals in our calling, the one great, original, mother-ideal of them all, namely: to get a clear, full comprehension of—and to try at all points to preserve—the absolute unity of interest among the parties, both insuring and insured. The solicitor best serves his own interest by advising what is really best for the policyholder. The general agent makes his own success only by making his soliciting agents really successful and prosperous. The company lives by its agents and lives for its policyholders; it can have no real, permanent interest adverse to either. And each company, in thus working out the best interests of all concerned in it, is sure to help, and not to hinder, the best interests of every like company and its following.

Evidently this comprehensive ideal is in essence the same as the great Golden Rule, laid down once for all mankind. But it is the Golden Rule in a special, multiplex, interlocking, modern application. It is possible to work by the Golden Rule in all the normal relations of our business, to an extent impossible in other business, be-

cause of the fundamental fact that life insurance is essentially a plan of co-operation, rounded out by profit-sharing. That is what makes the interests of company and policyholder identical—identical in sober, hard-cash reality, not in some fanciful and figurative sense. With that relation between the parties at each end, it is easy to see how the intermediary agents must come within the same unity of interest. The Golden Rule is with us the real rule of self-interest, too!

How many among ourselves—to say nothing of outsiders—actually realize that the simple business rule, to regard others' interests as our own, is imposed upon us by the very structure of the life insurance system; and that any one of us—whether in the home office, or in the field—who does not really try to work by that business rule, is hopelessly out of harmony with the whole system and hopelessly incapable of real success within it. Let us this morning, if never before, clearly grasp—and resolve both to practice and to preach—this great central truth, this mother-ideal of our vocation.

If all the companies, agents and policyholders were perfect—if there were no defects or shortcomings in any of them—all would plainly see that the wefare of each was the interest of all. The only reason why all do not see this now, is that, at so many points, faulty human nature mars the prefect working. But the system is calculated to care for all these distinct and diverse (but never adverse) interests, and to keep them in perfect balance—just as satellites revolve around the planets, and they around the sun, and the whole solar system swings around its orbit among countless suns and stars, with no friction or contrary motion anywhere, but all in perfect harmony and equilibrium.

Or, for closer analogy: see how the earth yields its trickling moisture to the springs and brooks, to be borne along by the rivers into the oceans, and thence to return in cloud and snow and rain to refresh the earth again; and as the water circulates through this mighty endless chain, see how it makes both soil and climate fit for man, how in passing it drives the wheels of his industries, and how, lying in its ocean bed, it carries the fleets of his commerce.

Even such is our great life insurance system: the

policyholder is the clod whence the moisture is squeezed; the tipster is the spring, the agent the brook, and the general agent the great big river; each company is a whole ocean, where all the water stays for keeps, except the mist and vapor that gradually supply the death-claim clouds and annual-dividend rains and deferred-dividend snows. [Great laughter.] I see some of my old-school friends suppress a smile, as though to say, "Now, don't you mean deferred-dividend frosts?" [Laughter.] No, sir! It is the snows that protect the earth through the long winter, and then become water in the spring when most needed; and it is the snow water that sinks right into the soil, leaving very little to run off the surface and get away, as rain water does.

But in all seriousness again—

Even with all existing defects and shortcomings, the great system of life insurance in every part has progressed much farther toward the ideal unity of interests than any other business known among men. In all other business the rule of bargain and sale prevails, and the real interest of each party is to get a little the better of the bargain for himself. And this will always be true until the business world can successfully put in practice the principles of co-operation and profit-sharing, in which life insurance is already a whole generation ahead of the rest. We have blazed the trail which, I firmly believe, it will be this new century's task to follow and to broaden into a road for all kinds of business to travel in.

This broad ideal of the essential unity of interest among all the parties, underlies, binds together and promotes all the other ideals that go to make up the ideal general agent and the ideal agency. When he fully realizes that his own best interests require him equally to guard the interests of policyholder, agent, home office and competitor—when he fully realizes that the best way to build for himself is to build also for them—then he has discovered the best test to show up all sorts of false methods and abuses. Then he has received the strongest incentive to correct the false, and to seek and perfect the true. In this broad ideal lies the basis of a complete code of ethics for our profession. Indeed the main claim of life insurance to be classed as a profession is by right of that same unity of interest—the very point which has always char-

acterized the relation between lawyer and client, doctor and patient, pastor and flock; as distinguished from the conflicting interests, the fight for existence and survival of the fittest, through which other human relations, social, economical and political, have struggled up the ladder of evolution.

When, sixty centuries ago, the Egyptian astrologers and masons were starting to build the great Pyramid, the first and vital point was that the foundation should be properly orientated—so that its perfect square should face each point of the compass with absolute accuracy. Next, and equally vital, the foundation had to be perfectly level, so that the apex should finally point straight up to the zenith. Perfectly square and perfectly level! Ay, such is the foundation that our general agent lays in squaring himself to this great ideal of unity. From the first, this puts him at right angles to his duties and relations in every direction; and as he builds stone upon stone of his agency, he can at any and every point drop a plummet line to this foundation level, and make sure that he is building straight up to the center of heaven's vault.

Just about here, I fancy some one thinking, "Well, now, that's all very pretty, this grand ethical ideal and all that—but I don't yet see where it helps me to write business or build up an agency." Patience, my friend, we are reaching the practical conclusions. They will be short; for "the moral of this tale lies in the application o' it"—not by me, but by each for himself. It is true that we have so far been describing our ideal in the chrysalis stage—as though it were but an abstract idea. But the wings are there; it is a genuine ideal, because it has within itself life and motive power!

Don't you see it! The general agent who fully realizes that his every act in building his ideal agency directly benefits not only himself, but also the policyholder, the solicitor, the company and the whole cause of life insurance (which is the cause of mankind), has doubled—nay, he has multiplied many fold his motives for doing that act. He has not only hitched his wagon to a star, as his distant goal, but he has equipped it with high-speed motors for both axles—getting power from both duty and pleasure, both self-interest and altruism, both the

material and the ideal. In a word, he has got his whole nature—body, mind, heart and soul—urging him on.

Exactly this kind of personal force is the peculiar need of our special line of work. We are not carried along by any daily routine of duties; our clients do not come to us; we have to be taking the initiative ourselves every hour of the day. Wholly lacking the stimuli from without, by which most workers are kept going, we imperatively need the strongest possible stimuli from within, to keep ourselves everlastingly at it. And we particularly need to have our higher nature fully engaged in our work, because our work particularly demands unfailing courage, cheer and philosophy to carry us over its peculiar obstacles, set-backs and disappointments. For us, above all men, the golden ideal becomes active power, the most practical kind of help to write business or build up an agency.

For self-interest alone is not really a great force. It is spasmodic, bent on the nearest object, rarely far-sighted, commonly satisfied to attain the comforts of mere physical existence. Self-interest alone never spurs a man to do his very best. "Happy is the man who has found his work" they tell us. What does that mean, unless it be finding the work that calls out and gives play to all his resources? "The man who has found his work," do they say? Rather, the man who has found himself in his work. He it is who is happy in his work, and who is doing his very best work, because all the motor centers of his own nature, higher as well as lower, are urging him forward in that work.

Thus he always feels the inner impulse to do things—and to do them right. He is full to the brim of push, energy and enthusiasm, and he inspires others with like zeal; but at the same time he keeps calculating how to get the utmost efficiency out of these forces in himself and those around him. He has plan, method, system, in everything since he is not building for today only, but for the long future as well.

Having the ideal general agent now sketched out before our eyes, what boots it to go into detail about the "Ideal Agency?" Its essential characteristics are but the working out of his. Having studied the coral polyp, one knows the coral reef.

It is not necessary here to rehearse how the ideal general agency is equipped with card systems, loose-leaf ledgers, "follow-up" letters, graphophones, mimeographs and all the up-to-date devices; how the patrons are cultivated and kept in touch, even after they have ceased to be prospects and have become policyholders; how the agents are kept in close fellowship by letters and visits, by frequent meetings and occasional prizes—how their daily work is backed up and systematized, the enthusiasm renewed and their minds stimulated by fresh points of view; how the home office gets such results in quality, as well as quantity, and such satisfaction in every way, from this kind of a general agency, that the officers could never dream of calling it a "branch" and putting in an agency director.

All these matters and many more good things will come forth naturally and inevitably as the good work goes on along the broad lines already indicated. I may not tarry to dwell upon them here; they are not "such stuff as dreams are made on"—and I pretend to nothing more, you remember, than to be dreaming dreams today.

And so we may rest satisfied to bid our ideal general agent a hearty Godspeed, as he starts on his voyage, having for a compass his own fine, straightforward personality, and relying confidently on his great Golden Rule Ideal to be the chart that guides his way; and also to supply motive power, to drive his ship ahead steadily, persistently, irresistibly, through storm and sunshine, ever nearer and nearer to the haven of the ideal agency on the shore of that land where dreams come true.

Great applause and cheers for Mr. Scovel followed the close of his speech.

Mr. J. H. Jefferies—Mr. Chairman, after the demonstration that the convention has just given, showing its feeling and its sense of gladness at the speech to which we have just listened, it would be improper almost, and certainly unnecessary, for me to move any vote of thanks to General Agent Scovel for his magnificent effort. Nevertheless, in order that it may be properly placed on record, I move you, sir, that this convention by a rising vote, express its thanks to Mr. Scovel for the manner in which he has presented to us the ideals to which we should live.

The motion was seconded and unanimously carried.

President Ward—Gentlemen, we have a few moments more. Before any one leaves the room I wish to make an announcement. Immediately on adjourning we shall have our convention photograph taken, and we want you all in it. We shall adjourn in about fifteen minutes and proceed to the steps of the State House, where the photograph will be taken.

Now, we will hear from this fourth topic "The Duty of the Agent to His Assured," and we will ask each speaker to confine himself to five minutes, and if we have any opportunity further on in the convention we will further discuss these two topics. The speakers on this subject are Mr. L. Brackett Bishop of Chicago, Mr. C. C. Courtney of Kansas City, Mr. Moore Sanborn of New York and Mr. William Van Sickle of Detroit. Mr. L. Brackett Bishop of Chicago.

Mr. N. J. Dilday—Mr. Chairman, I would just like to say that at 2:30 the ladies will go for a drive, and at one o'clock the newspaper men who are visiting us will go for a tally-ho ride around the city. I would like to ask if it can be so arranged that we can have the pleasure of taking you for a trolley ride tomorrow afternoon. We were told in advance not to get up many things that would draw the attention from the work of the convention and we did not want to interfere with it in any way, so we will leave that to you.

President Ward—If we should adjourn by 3:30 tomorrow afternoon, would that suit your purpose?

Mr. Dilday—3:30 would give us plenty of time for a trolley party, and if you will let us know, we will announce it tonight.

President Ward—We will try to arrange that. Now we will hear from Mr. L. Brackett Bishop of Chicago.

Mr. Bishop—Mr. President, Ladies and Gentlemen: Having just returned from a visit to the World's Fair, where I saw many remarkable things, I am prepared not to be surprised at anything I may hear and see here. As I told my wife over at the Fair, we saw sugar turned into floss, glass made into cloth and small round beefsteaks changed into large round silver dollars. [Laughter.] I was not surprised, therefore, to hear from Mr. Ward that we had perfected life insurance agents among us, because already I knew that some of the delegation from Chicago came under that head. I was also not surprised, as I had been

informed beforehand, that I was to speak on this topic.

When I first considered this topic I had the idea that all I had ever done for my old policyholders was to try and write them some new insurance, and I had looked upon this as rather a pleasure than a duty. But as I have thought the matter over I see that I had unconsciously been doing many things to keep up the "entente cordiale" between my insured and myself, and doubtless have left undone many things which I ought to have done. These last I hope to hear of from those who follow me on this topic.

When we consider how large a proportion of the new business comes from the satisfied policyholder and his friends, the importance of this topic begins to be perceived. In this day of many policies and policyholders it is manifestly impossible for the general agent, or sub-agent, to often see many of the policyholders. Industrial companies, with their agents, visiting each policyholder weekly, have much the best of it in this respect. However, if we cannot see them we can keep in touch with them in other ways.

The policyholder should be told of the new policies issued by the company, by circulars sent out, perhaps with the renewal notices; he should be given calendars, and annual statements should also be sent him, and request for his co-operation in giving the names of men who would make desirable agents. In fact, he should be made to feel interested in the company, its managers and agents, thus building up a satisfied clientage based on confidence, profitable alike to company, agent and insured.

Reasonable help should be given to the insured to assist him in paying premiums when he is short of funds; he should be told often of the options and privileges contained in his policy. His wife, or other beneficiaries, at his death should be informed of the different ways in which the proceeds of the policy can be drawn. In short, the insured should know that the agent, who insured him, is his friend in all that the word implies.

It is important that the cashier, who has most to do with the insured, should be a genial, friendly man or woman, and the whole tone of the office should be distinctly friendly to the policyholder. The insured should be shown how useful he may be to the agent and office by helping secure new policies and agents. With this feeling of mutual helpfulness between the agent and policyholder, the policyholder becomes one of the greatest assets of the agent and agency.

I might say in closing that the proper treatment of the insured is made much easier by his proper treatment by the agent before he becomes a policyholder, as the easiest way to reform a young man is to begin with the grandfather or father. [Applause.]

Mr. Courtney—Mr. President, Ladies and Gentlemen: I thought you were about to adjourn and I had escaped. I have written down here a few hasty thoughts on this subject, and find that it has nearly all been spoken. Nevertheless, if I have to speak five minutes, I shall have to get through this or not entertain you at all. [Laughter.]

The two topics that have been discussed for the last hour are so closely connected that it is almost impossible to separate them, and I find that some of the speakers who have preceded me have already spoken a little on both topics.

I wish I were so gifted in speech and character that I could, by my utterance and conduct, assist in elevating the standard of the life insurance profession and those engaged in it. It is a glorious occupation, and when properly appreciated, becomes ennobling to the buyer and the seller. How then could I better designate "The duty of the agent to the insured" than by pointing to the Golden Rule, "Do unto others as you would have them do unto you"? for this standard of action should apply in our profession, as it should apply in all transactions between man and man. If this high platform of performance could be inaugurated along the entire line, from president to superintendent, from general agent to solicitor, what a grand consummation it would be. Then would we hear no more of misrepresentation on one side, and dissatisfaction on the other. The rebater, the twister and the falsifier, would no longer have refuge in

our ranks, but would need to seek some other occupation, or change his ways.

The crying evil of our day is love of display, and the sacrifice of common honesty in order to secure it. But the thoughtful and well meaning agent should remember that the essential qualities for permanent success are sincerity and truthfulness. All other success is transitory and unprofitable. Writing life insurance is a business in which the considerate agent will learn "to labor and to wait." While doing this, he should always conduct himself as a gentleman, and this means to consider the prospective applicant and patron as much of a gentleman as he is himself. This procedure will inspire trust, confidence and patronage—secure a friend for the agent, and one who will help to secure others. A satisfied policyholder is an invaluable friend to an agent, and should be carefully cherished.

I once knew a lawyer, who had a friendly client, who placed a case in his hands for attention. This lawyer made the grevious mistake of overcharging his client—and while he won the case he lost a friend. You may secure a policyholder by similar methods, but you will fail to win his confidence, and he will then be of no further value to you. When you are soliciting, put yourself in his place, sell your client the policy that is best adapted to his needs, regardless of the price, and you will secure a continuous friend.

Our sojourn on earth has been compared to a voyage on the sea. Suppose while you were in mid-ocean, on a vessel that was being buffeted and tossed about by a tempestuous storm, and death seemed to be the threatened fate of all, you should offer a lifebelt to a fear-stricken companion. Do you think he would refuse it? Truly this life is a perilous voyage and every meritorious policy is a good lifebelt and will be so regarded when rightly presented. The uninsured man has this trip of life to make, and will feel grateful to you for helping him over the way, and will remember you as a friend in need.

Life insurance has gone forward, and is going forward at a tremendous pace, and is a conspicuous sign of the majestic progress of man, and caused the late Rev. Phillips Brooks to exclaim "Blessed be the occupation of men who are doing so much to eliminate worry from our hu-

man lives." Life insurance leads today among commercial pursuits. No other one occupation among men has pushed forward with such wonderful rapidity, and so attracted the serious attention of the public. Life insurance has become indispensable to the poor, because it helps them when all other hopes have failed. It is invaluable to the middle class, for it provides against poverty. It is highly valued by the rich, because it guarantees a successful administration of their estates, and leaves them free to plan.

"So with eyesight keen and perfect, look steadily ahead
Into a happy future with not a thought of dread:
Our business will go on and on, magnificent, divine,
Inspiring, grand, transcendent—it will forever shine.
It will dissipate the darkness, will drive away the gloom,
A brilliancy supernal throw around the somber tomb;
All earth will chant its praises; high heaven swell the sound.
And God, himself, will honor it as ages roll around."

[Applause.]

President Ward—I am going to ask Mr. William Van Sickle of Detroit to make the next remarks, and then Mr. Moore Sanborn to close the discussion.

Mr. Van Sickle—Realizing that I was practically at the tail end of the list, I thought it would be useless to prepare any formal remarks, but I just jotted down a few little notes. As the previous speakers have been telling what to do, I have crossed one and then another and still another, and finally I found myself in the same position as the good old fellow who was examined for life insurance and did not pass. In speaking about it to a friend he was asked why it was. He said the doctor told him in the first place that his salvation glands did not assist in the suggestion and that caused a torpedo liver and he was liable to blow up at any minute. [Laughter.] In that way I saw my thoughts going out and out until I had only two left. In the first place, we must begin with good, efficient, live agents. After a man is secured we must

afford the policyholder every possible courtesy. I mean by that when he calls at the office, as Brother Bishop says, we must have a good, efficient cashier who will be pleasant and polite and furnish any information that is desired. The office help is a high factor in this particular case. The manager, too, must not be above approach. We find a number of men who insist on seeing the manager. I find that in my case (probably because I was cashier for so many years) quite a number insist on paying the premium to me personally. On that account you must give in and be pleasant.

Then there is another thing regarding the running of the business. I find it best for a manager not to be so lofty in his position but that in the event of his cashier failing to collect his renewal, he himself will put on his hat and coat and make a determined canvass and invariably win the case. It is to be presumed that a policy that has been sold to a man is the one that most clearly meets his needs. The best duty of the agent to the insured is to first sell him a form of contract that will in all probability be renewed. While it is not just in the line of our talk I would say that up to three years ago we were making a specialty of twenty-payment life, that is, in Michigan. Of course the conditions vary in each section. I found business did not renew as well as I had hoped. I therefore took a different tack, switched to the twenty-year endowment. We have been making a specialty of that and last year did 90 per cent. of our business on that plan, and I find it is renewed a great deal better. It seems to me that the people of our section, at least, are becoming more selfish in their desire to carry life insurance, and this seems to be something that appeals to them to set aside in a systematic way a certain sum of money for themselves at the end of a certain period.

For another thing courtesy must be displayed in the settlement of death claims and maturing endowments. It will not always bring us a good reward. I know of one case I had recently. A lady whose husband was in business on the street died early in the morning. At about half-past ten she came in with her attorney and informed me he was dead and she wanted her money. I gave her an explanation as to the necessary course to

pursue. This seemed to anger her somewhat, but I endeavored to cool her off and wired the company for proofs. They came in due time. I myself went over to the store, executed all the documents as a notary, sent them back to the company the same evening, and two days and a half later I had a check in her hands for the amount, and because we were so slow in paying the claim, her son took a policy in another company. [Laughter.] Courtesy does not always bring a reward. [Applause.]

Mr. Sanborn—Were I not assured by the infinite tact of our chairman of the topic committee, I should challenge his wisdom in placing me here to discuss before the pastmasters of general agency the question of duty to the assured. It seems to me you might rebuke me somewhat by that word of the scriptures, where the priest and the Pharisee said to the man who gave his testimony, "Thou wert altogether conceived in sin, and teachest thou us?"

An old negro woman once said "I ain't got but two teeth, but thank God, they hit." [Laughter.] I have but two teeth, the first one, "hold." We have had the gospel of "get" in my profession. We have had the pressure from the company in the field "get" "get" "get." The omniverous maw of the gigantic appetite has been open constantly. There is just as much gospel in "to hold" as there is in "to have." It is almost a disgrace to an agent or agency to place a man on the books one year and have his name disappear next year. My recreation is fishing. Have you ever in the shadow had a strike and with your reel and rod sought to land that fish, pulling with every muscle until at last as you reached out the landing net, he got away from you? And have you had that occur several times in the course of an afternoon's fishing, and did not you say, "there is something wrong with my tackle or the fish"? It is just the same in an agency. You get your fish. If you lose him and lose many of them you are a failure as an agent.

To hook and not hold is to be a failure as a fisherman. Now, how are we going to hold them? Some one has said, our president, I believe, that a postage stamp does not amount to much. I believe in drenching the homes of our policyholders with literature. The company on this earth that has the lowest lapse rate is the company which sends into the home of every policyholder a copy of every piece of literature that it gets out. I believe in not only sending a calendar or some statistics about the company with your renewal receipt, but I believe month after month you should be sending to the homes of your policyholders facts about your company, thereby creating a knowledge which is an esprit de corps, which is a mighty incentive in renewing a policy.

Tooth number two: "use." Your policyholder should be the beginning of an endless chain; one policyholder ought to be good for a dozen commissions without a single twist. Thereby can we learn from the fraternities how wonderfully they work. How they talk about "our order" and "our order" and "our order." Your policyholder, too, works for you. Old John Forest, a Confederate general, used to say that he was the most successful general who got there with the "mostest, fusstest." That agent is the most successful in the long run in the community who is able to marshal on his side not only his spotters and pluggers, but his policyholders, thereby getting ahead of his competitor by having in the line of the battle the "mostest, fusstest." [Applause.]

President Ward—We will now adjourn to meet on the State Capitol steps to have our photograph taken.

The convention then adjourned until 2 p. m.

AFTERNOON SESSION.

The fourth session of the convention was called to order shortly after 2 p. m.

President Ward—We will now proceed with the discussion of our topics. Has any one in the room a word to say on this subject "The Duty of the Agent to the Insured"?

Mr. L. B. Hall—While the gentleman from Philadelphia was speaking about the qualifications of an agent, it struck me that one important factor is the fact that so

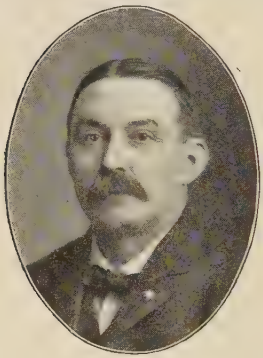
many of the men are not permanent fixtures in the business General agents perhaps are. I think one great trouble in the question of securing agents lies in the fact that we cannot point with pride as general agents to a number of special agents who are making good in the business and are prosperous and holding prominent positions in the society in which they live. I could not nerve myself up to suggest that point this morning.

Mr. Wyman—There is one thought that has come to me in connection with this subject. The moment we insure a man and he becomes one of our policyholders, we should consider him in the light of a permanent customer. There are many questions that are bound to arise during the years in which the assured pays his premiums to us, on which we should be well posted, and on which we should be very careful to give him advice, and one of these questions is this matter of assignment of policies. Every one who has been in the business many years knows that it is a very complicated question. It seems to me that we should watch with great care to never let the policyholder tie up his policy, so that he cannot use it in the future. Not long ago a gentleman came to me who had assigned his policy to his wife, and in case of her death it went to her executors, administrators and assigns. The agent who had made the assignment did not explain to him that in the event of his wife's death the proceeds would be tied up in her estate, and he was greatly embarrassed. His wife died and he only had a statutory interest in her policy. It seems to me that is a question we should explain. While we cannot interpret the law, we can keep them off the breakers which are liable to lie in their pathway. It would seem that one of the best ways to keep in touch with our policyholders is to watch out for them in every way.

President Ward—We are very glad to have Mr. Wyman call our attention to this matter. Mr. W. M. Wood, the secretary of the Pittsburgh Association, is in the room and I am sure he can give us something good on this subject.

Mr. Wood—Mr. President: There are probably a hundred ways in which you can show your duty toward your policyholder. I think the man who does his duty writing the business is the same man who does his duty

toward the policyholder after the policy is written. There are probably a hundred people or more in my neighborhood who look to me to look after their insurance interests. I remember one man in particular, who almost every year writes me a letter wanting some information about some one of his policies, and I have always tried to get him that information correctly. I remember one instance of a man whom I had called on a number of times and had never talked much insurance to him, because I knew he did not think much of insurance. He was a man of means and thought he could look after his money as well as the insurance companies could. One day his wife said, "John, you ought to get some insurance," and he came to me and said, "Mr. Wood, my wife wants me to take some insurance, and of course if I take any, I want to take it out with you," and I sold him a policy. [Applause.]



President Ward—Gentlemen, we will now take up the discussion of the next topic. This fifth topic is a most interesting one to all of us. "The Best Method of Effecting Agency Organization." This subject will be led by Mr. John W. Schell of Detroit.

Mr. Schell—Mr. President: "The Best Method of Effecting Agency Organization." On this subject you will find great diversity of opinion, and I fear our successors one hundred years from now will be like the immortal Goethe, crying for more light. The methods pursued by me and which have been in part successful may not prove so in the hands of others, nor their methods prove successful if tried by me. Neither is it certain that the best methods of the East are those for the West, or those of the city will be at all satisfactory if employed in the country. There can be no hard and fast rule laid down. Much depends on the manager, the company and the location of the branch office. But, however much we may disagree over methods, I am sure we will agree that this is the most important subject which could engage

our attention, for upon the success of the branch office depends the success of the home office, in fact the very existence of life insurance itself.

In the past few years, great changes have taken place in the attitude of the public toward our business. Gradually the signs, "No life insurance or book agents allowed in this building" are being removed and I believe it the duty of the life underwriters' associations of the United States to see that they are all removed. It is surely time that the greatest and best business in the world receives its dues, and the stigma of disreputability be taken from those who are engaged in it. I would advocate our refusing to rent offices in any building or deposit money in any bank or trust company where these obnoxious signs continue to be displayed. The question of their removal rests entirely with this body.

Standing on a higher plane than it did twenty or even ten years ago, our business is therefore appealing today to a different class of men to engage in it.

If my short experience of three years in the life insurance business permits me to say a word of criticism of past methods, it would be this, that too many cheap men have been appointed. The sound advice of Benjamin Franklin, "Never buy anything because it is cheap," has been too often disregarded. Of two men seeking an agent's contract, one willing to "paddle his own canoe" and the other demanding a guarantee, we have invariably preferred the former.

There are great possibilities in our business for good men, but our glowing descriptions of these possibilities will not be sufficient to convince the men we want of the absolute sincerity of our statements. We must be willing to back them up with good hard cash.

My experience has been that to get the kind of men we need, men of sterling character and who can produce unquestioned records for unflagging effort in whatever they have undertaken, we must seek diligently for them.

In nine cases out of ten where a man walks into a branch office and asks for a contract it will be time and money saved to turn his application down. Very few good men take up our work (one in which there is always a possibility of failure, because it is undeniable that not every man can sell life insurance) without earnest solicitation on our part and before he will take it up there must be some substantial guarantee from us, that he personally, by intelligent and systematic effort, can succeed. I believe we also make the mistake of appointing men of insufficient business experience, and who lack the capacity for sound judgment. In no other calling will you find brighter men or those possessing keener intellects. Selling life insurance demands salesmanship ability of the highest order, so that if we would even hope for the men we appoint to succeed, we must use discrimination in selection.

I believe in appointing married men almost exclusively, they work harder, are more in earnest and are generally more reliable. The single man, with few exceptions, lacks that strong incentive necessary to success in our business.

I believe also in appointing men who have failed in business. I always give this class the preference. Let me be understood. I do not mean the man who has made a failure of everything he has ever undertaken, but rather the man who in his past business overreached himself, made superhuman efforts to succeed, and yet failed. Such a man has ten times the grit and ability of the man who has never met failure face to face. This statement may be questioned, but I need offer no better proof that I am correct in making it, in so far as it applies to our business, than to call your attention to the fact that a majority of the leading and best life underwriters in the United States today failed in some business before taking up this work. So that once a failure, always a failure, does not hold good in our business.

But how are we to find good men? One method is to interview employers and get from them the names of employees who might possibly make a success in our business, but I have found few employers willing to part with their best men, and those recommended generally fail to make good.

Another method is to find men already employed in offices, stores and factories and urge them to take up our work, but I have found that men brought into a branch office by this method as a rule do not work as hard as men who have taken up the work either through dire necessity, or of their own volition. They seem to feel that since you have taken them from a position in which they were satisfied to continue that "it's up to you" to bring success to them, instead of their going out and winning it. It is the old story repeated, that where you are so anxious to get the man he generally dictates the terms.

Another method is to advertise for men who are out of work or who for some reason are dissatisfied with their present position, and I claim that the men who need money, and the men who are dissatisfied with what they have accomplished or are accomplishing, are the very best men we can get into our offices While by this method you will get many answers from men totally unfitted for our business, I have known to my own satisfaction that by keeping everlastingly at it, this method will pay.

Another and I believe the best method, and the one we should aim for is to build up a strong agency organization by constantly adding new names to your list and then by careful pruning drive the incompetent and sluggards out Of all men most to be dreaded in a branch office it is the lazy one. Unless a man produces business regularly, except in case of sickness (the only justifiable excuse), his contract should be cancelled. An agent should be made to feel that his contract with us depends solely upon his being worthy of one. This method you will find the best for several reasons.

First—When you have men in your office who are noted as successful life insurance men, they will attract other men who will be envious of their success and will be anxious to get into this business.

Second—It will cost you neither time, money nor anxiety to get the man.

Third—The fact that he comes to you instead of your going to him, permits you to dictate the conditions upon which he shall be engaged.

Fourth—His being introduced by one of your successful agents may generally be taken as an index of his character and also of his ability.

Fifth—The applicant's record will be continually placed in comparison with that of the agent who introduced him and he will therefore work harder than he otherwise would.

Sixth—The agent who recommended him will consider himself obligated to do everything possible to make him succeed and will in this way take a great deal of work off your shoulders.

Every agency man, wherever located, can secure good men for our business by these methods, but the question how to keep them, and more, make them successful agents, is a matter of even greater importance.

I believe our efforts frequently come to naught through our own indifference. Too often we think our duty to our company and to the new man has been fully discharged when we get his name on a contract, but unless the man is started right in our work, and kept right, it would have been far better for the man, the company and ourselves to have never made his contract.

The question whether we are giving them the right start is an unsolved one with me. I have interviewed a great number of agency men, men who have been much longer in this business than myself, and I find very little unanimity of opinion as to methods pursued. Some tell me they give the new man a rate book and applications, start him out into the street to talk insurance to every Tom, Dick and Harry, and trust to the future to show whether he has the stuff in him to bring success. Some men instruct on one form of policy only, either ordinary life, 20-payment life or 20-year endowment, while others do not have them approach people until they know something about all the policies their company writes. Some agency men advise new men to canvass at first among their friends, while others advise directly the opposite. Some managers require their men to report at the branch office (if in the city) at a regular hour every day, while others require no report at all, in fact don't care to see them unless they bring in business.

The ne plus ultra method has doubtless yet to be found, since out of so many men appointed there are so many failures and so very few who become eminently successful. The methods I use and which have brought me fair success are the following:

After the new man signs his contract, I instruct him in the three forms of policies, ordinary life, 20-payment life and 20-year endowment, the cost and the settlements at the end of the accumulation period only. I say nothing to him about loan values, paid-up insurance or continued insurance. I believe as soon as you begin talking to a prospect about them you are creating a doubt in his mind whether he can carry his contract to its completion, and you are spoiling your chances of getting his application.

I then show him where to find these policies in his rate book and how to fill out an application properly. I follow this up by explaining how under certain conditions one form of policy is better for an applicant than another. That an ordinary life policy is taken for protection; that a twenty-payment life policy for protection and investment and that a twenty-year endowment policy for investment first and protection secondary. I try to fix in the new agent's mind the importance of getting the application signed at first interview, if possible.

I keep all competitive literature away from him, as I believe the agent who talks his own company has a much better chance to succeed than one running down his competitors, because it is an axiom that just as soon as you begin to run down a competitor you are advertising him.

I then instruct him how to proceed in cold canvassing. I make him try this first, as this will show me whether he has any ability in our line. Any man should be able to insure his friends, it requires a salesman to sell a stranger something he at least thinks he doesn't want. I instruct him how to approach men, certain things to do and say, others to leave undone and unsaid. I have him make out his list of prospects for the day from the city business directory before leaving his office and see that his list is long enough for a full day's work. I start him out immediately before his ardor for the business cools off, as one ounce of experience is worth a ton of advice "how to do it."

I insist on his coming to the office not later than 9 o'clock every morning, and hand me his daily report. This gives me an opportunity of going over it with him and pointing out the weak places in his argument and also, since I have many agents in the field, of comparing his report with those of other agents, and in this way I

discover whether or not he is working intelligently and honestly.

I take an active interest in the new man's daily work. I try to encourage him by my own enthusiasm for the business and go over the same instruction with him repeatedly until everything is familiar to him. I make it plain to every new man that I want him to succeed, that his success will also be my success, more, it may mean the success of other new men. I impress upon him my willingness to go out with him either day or night to close up his prospects or deliver policies, without taking from him one cent of his commissions or his business. I hold meetings one night each week for new men only, at which we discuss the primary work of life insurance, and I compel every new man to be there. I go over their past week's work with them and answer their questions so that all may be at once benefited. When a man shows me that he is doing his best, he can depend upon me for my entire support, but when I find a man becoming indifferent about reporting at the office, neglectful about making out his daily reports, wasting his time through the middle of the day at his desk instead of being at the other man's desk, I speak to him and if I see no improvement I immediately cancel his contract. A lazy man is given no chance in my office to inoculate others with his views.

I believe good life insurance men, like good poets, are born not made, and that if a man has any ability in our line it will soon show itself. I work on the theory that in order to build up a strong agency organization it is necessary to appoint and try out a whole lot of men. I would rather run my chances of getting ten good men out of one hundred appointed, than hope to get five out of fifty, or one out of ten. I have found out that it does not pay to try to "make purses out of sows' ears."

In conclusion I believe we will have better results if we can get both old and new men more interested in their work, and to that end I am offering a membership in my local life underwriters' association to every agent each month who distinguishes himself.

We, as agency men, derive incalculable good from our association meetings. Why should not our men be benefited also?

I feel that if my agents meet and get acquainted with the men who have helped to make life insurance the magnificent monument that it is, they will then be better able and more willing to assist me in the best method of effecting an agency organization. [Applause.]

President Ward—The next speaker to whom this subject has been assigned is Mr. John Dolph of Cincinnati. Mr. Dolph has one of the largest agencies of the country and ought to be qualified to speak on this subject. [Applause.]

Mr. Dolph—Mr. President, Ladies and Gentlemen: My relation to this subject is probably a little different than that of the average general agent. Besides I feel that I am unfortunate in the fact that I have not written down the few thoughts I have in my mind, because it seems to be the judgment of the more experienced that these topics can be treated more effectively in writing. I also have to say, Mr. President, that having given very little time to this subject, the situation appears to me to be one that is just a little too large for me, so in what I have to say I can only expect to refer to a part of the subject, more particularly in view of the fact that we do not want to spend more than five minutes on it.

"The Best Methods of Agency Organization." The subject is a most important one. The general agent must first of all determine the style of his organization—the form it is to take. In this he will be largely influenced by his home office, as each company generally favors a form of organization peculiar to itself. I am satisfied, Mr. President, that it does not matter very much what the form of organization is—what the plan of campaign is—but it is all important that it should be followed up energetically and industriously. In other words, I believe the general agent should plan his work, but it is more important that he should work his plan. The next step is the selection of the men to complete the organization. Having the establishment of a new agency in mind, I would build with great care. The preceding speaker covered the work of selecting agents very fully, and I agree with all he said. I would like to refer to one point, however, in connection with the selection of agents, because I consider it a very important one. Doubtless you have all had this experience. After talking to an

applicant for a position, he finally says, "Well, I'll try it." His resolution, Mr. President, is based on the conviction that "salesmen are born, not made," and he thinks it only necessary to find out whether he is a born salesman or not. After experimenting with the work a few days, and finding that he cannot do it, his conclusion is a natural one. He comes in, lays down his literature, and says without any reluctance whatever, "I was not cut out for this business." Now, Mr. President, I would like to say with as much force as I can that I do not believe "salesmen are born and not made." [Applause.] The gentleman preceding me emphasized his experience in the work of training agents, but I do not quite see the necessity of training agents if they are born and not made. One of the speakers this morning said that the best thing to do, was to select good and efficient agents. That struck me, Mr. President, as rather peculiar, more particularly in view of the fact that he did not say a word about where we could get them. [Laughter.] I wish the gentleman would tell us where he finds good and efficient agents.

Now, my friends, I want to say that a prospective agent could not break into my office with a sledge hammer, in that frame of mind. If I cannot convince an applicant that he must take up the life insurance business in exactly the same frame of mind as he would any other profession or business, then I will not appoint him. How does it happen that a young man will decide to open a grocery, or become a physician, or a lawyer, without any thought or fear of failure. It all depends upon his "attitude of mind," and that is not saying I do not believe that some do not have the qualities and faculties of mind and heart, on which success is founded, more developed in them than others. I believe it is easier for some to become good musicians than others, but I never heard of a first class musician, who had not diligently applied himself to the study of his profession. While a comparison between the business of selling life insurance and music is not a favorable one for the purposes of bringing out the point I wish to make, yet we are born into the world with all the necessary qualities and faculties of mind, and success depends upon their proper development. We have all noticed the remarkable

talent some children display in one direction or another, but what does it ever amount to unless it is developed by constant study and practice? So it seems to me, much can be accomplished in the right direction by putting your applicant in the right frame of mind, so that he will take up the business with a full understanding that an extended course of education lies in front of him, and that no matter how long he may live, he can still be, and ought to be a student of his profession.

So much for the selection of agents. The point I wish to emphasize is this. The success of a general agency, after the plan of the organization has been determined upon, depends on the proper training of the agents. I was a little surprised when the gentleman preceding me said that he required his agents to report at a certain hour. He is the first general agent I ever heard make that statement, and I think very few do that. My understanding is that sub-agents, generally speaking, come and go as they please, and the general agent or manager is not particularly interested in anything they do, excepting the amount of business they bring in. Although I have discussed this matter a good deal with successful general agents, yet I have never heard a single statement from anyone that would lead me to believe there is any satisfactory reason why agents should not report regularly. Different general agents have said, "I would not dare ask my best agents to report to me." I am certain, Mr. President, that these general agents are mistaken. I would not be afraid to take any one of their agencies and demonstrate the truth of my convictions. As soon as the men learned the value of sympathy, encouragement and proper assistance, to say nothing of discipline, they would be glad to report full particulars of their work.

Would it surprise you to know that I have heard sub-agents ridicule the idea of giving the names of their prospects to their superiors? This is all wrong, and if there is anything I can say on this subject which will induce you to give it serious consideration, I shall be satisfied.

If comparison is made with mercantile, or manufacturing establishments, we all understand the importance of the rules for the proper government of the employees. Discipline is absolutely essential to the success of any organized effort. This applies to a general agency. The

first requirement of an agent in my office is that he must report on time.

Going back to the subject, "The Best Methods of Agency Organization," I would begin the work of building up an organization, by appointing one agent. It would be my first duty to instruct him how to canvass, and how to keep a proper record of his work. I would stay with him until such time as I felt it would be safe to let him go alone. He would then report to me daily, and during my interview I would complete his report which should cover the details of his work during the preceding twenty-four hours, as well as his program for the succeeding twenty-four hours. I would emphasize the importance of definite results. For example, I have learned from experience that every interview should result in the solicitor being able to make one of three following reports. He should either report (1) "I wrote the business"; or (2) "I have a definite engagement to call again," or (3) "I cannot write the business." Constant discipline in this direction is advantageous.

I would next appoint three or four more agents under similar circumstances. I am satisfied that four or five agents are all one man should undertake to properly supervise. In the absence of efficient supervision the highest success is not possible.

In the work of building up my general agency, I would next select from my staff the agent best qualified to supervise the work of the other agents, and promote him to the position of assistant manager. He would have authority over the other agents, receive their reports, and be held responsible for their work. I am now in a position to devote my time to the selection and instruction of more new agents. By following the plan which I have described, a large successful agency would undoubtedly be built up.

This is indeed a most important subject. In what has been said I hope you will find some food for thought. I would like to see this work discussed at every convention. In truth, I think it would be a good idea to have one of the more successful general agents write an extended paper on it each year, because one of the greatest opportunities in our business lies in the direction of agency organization. [Applause.]

President Ward—We will now hear from Mr. J. H. Jefferies of the home office of the Penn Mutual, followed by Mr. Edmund R. Ward of the Pittsburg Association.

Mr. Jefferies—Mr. Chairman and Gentlemen: The opening word of our last speaker brought to my mind a story which it seems to me is appropriate to my position today. A gentleman who had acquired some facility in speaking, but who could not remember names, was asked to make the funeral oration on the death of a friend. He prepared his speech, and realizing that it would be very inappropriate for him to read it on such an occasion, put it in his inside pocket and went to the funeral. He began his address something like this: "Friends, our brother who has left this life was a gentleman who possessed many estimable qualities. His success in business was due to that indomitable perseverance which we see in—which we saw in—which we saw in (looking at his manuscript) Ulysses S. Grant. [Laughter.]

"He was a man of public affairs. On many occasions at the organizations with which he was associated he was called upon to address his fellow members, and in all that he said he displayed a flow of eloquence which can only be matched by that of the late (pause—after looking at his paper) Daniel Webster. He was a gentleman of lovely character, possessed of those qualities of Christian forbearance and gentleness which endeared him to all—people, and we can but believe, friends, that from the life that he has led and the usefulness which marked his career, at last he has gone home to be with—that he has gone home to be with—his Maker." [Laughter.]

Gentlemen, when your president announced yesterday that I was to take some part in this discussion I felt very much as if I were in the same position as the woman who was married to the spouse who had previously had three experiences in the same line. She was the fourth, and in order that she might have a pleasant time on one

occasion he proposed that they should visit the cemetery and when they reached that festive spot she saw the tombstones, and looking at the inscriptions she read "Be ye also ready." [Laughter.]

So since this announcement yesterday there has been hanging over me a sense of impending doom, and I have been haunted with the shadow of a fear, knowing that it would be presumptuous in one from the home office of a company to try to tell the active forces of the company—the men who represent the companies in the field—how they shall develop their work, how they shall perfect their organization. So I am trying to fill in my two or three minutes as best I may by not attempting to tell you how you shall do your work, which is so excellently performed. We see the results, we cannot tell you how to do it.

I have been impressed all through this convention with the thought that somewhere I had read a sentence which expressed completely the present attitude of your general agents and life insurance men generally, and at last I recalled that it was found in the Bible in that sentence "Blessed are the meek, for they shall inherit the earth." I have been impressed with the thought that you had not been boastful, and that you had been so meek that you had gathered almost the entire population of the country into the ranks of the different insurance companies which you represent. There is a small portion of this country probably that has not yet been visited by the insurance men, but I feel very sure that if you go along the lines on which you are now progressing, every one will soon learn the benefits of life insurance. Times have changed. I am not very old, but yet I can remember distinctly when the agent with the enlarged gall ducts was considered to be the one who was to be sought after by the general agency. That solicitation of life insurance meant largely a question of nerve. "Can you stand it." "Have you the nerve to solicit life insurance?"

It seems to me this is an era of attainment of knowledge upon life insurance topics, and as has been expressed by Mr. Schell and by Mr. Dolph so ably, the time has come when agents must be trained to the work. Who would think of employing in the building of his house some one who knew nothing about building? Who

would think of employing in any other line of work some one who knew nothing about that line of work? Apprentices are needed in the life insurance field as much as in the plumber's shop or in the architect's office, and apprentices must be trained. Those men who are the master workmen are the men who should train your representatives, your apprentices. You cannot obtain experienced agents. Every general agent must assume part of that duty of all general agents of bringing up into the business men who will know the business, so that the time will come when agents instead of depending upon nerve or gall will depend upon what they know of life insurance, and will then be workmen who can rightly carry the message of life insurance, and who need not be ashamed.

I remember distinctly an agent many years ago who spoke to an applicant with reference to the expectation of life on a 4 per cent. basis. He probably knew what it meant, but I didn't, and I don't suppose any gentleman here could tell. He also referred on one occasion to the "non-participating reversionary dividend plan" which sounded fine, of course. [Laughter.] I think it was Confucius who said on one occasion, "if you employ any one, trust him; if you do not trust him, do not employ him." I believe there are in the ranks of insurance workers today many agents whom their employers do not trust, and I believe the business would be immeasurably improved if these men were let go, no matter how much apparent work they may do. [Applause.] So far as the ultimate good of any particular agency is concerned, it can only be obtained by employing trustworthy men, so it seems to me that every general agent should be a scholar of life insurance, so that the men who go out from his agency will fully and capably represent not only their employer but the great business with which they have associated themselves.

One thing it seems to me a general agent should possess more than anything else is the quality of tactfulness. I am reminded of a story of a circus man who had what he called a happy family. In one cage there was the lion, the tiger, the wolf and the lamb, and some one asked him, "How is it possible for you to keep that family together? Why don't the lion and the tiger and

the wolf eat the lamb up? How long have you had that outfit?" "Well," he said, "about ten months." "Well, how is it possible that you do it?" "Well, I do it, but I have to renew the lamb once in a while." [Laughter.] Gentlemen, it seems to me that the general agent should be so tactful that he can harmonize influences as antagonistic to each other as those in the story I have given. The general agent must harmonize his agency force, so that it will work together as in the map we have seen of Indianapolis here, so that everything comes into one central spot, the general agency of the company represented. I thank you. [Applause.]

Mr. Ward—Mr. President, Ladies and Gentlemen: I am not particularly anxious to listen to the sound of my own voice and can hardly see any other excuse for my being here. The subject has been so carefully covered and every other fellow stole my thunder so that I can do nothing but make a noise.

Some one has said "Blessed is the man who has found his work," another and more modern writer has said "Blessed is the man who can find others to do his work." But more blessed than either is the man who can find work of a suitable kind for others to do; or, in other words, who can pick out men who can succeed at certain kinds of work, and can show them how to succeed. It is just as much a part of our profession to be able to pick out winners as it is to successfully solicit applications. But when you have picked out a man whom you consider will make a winner and have told him so, and have perhaps persuaded him to leave some other calling, your work has just begun. You have then and there assumed a responsibility; you are more or less responsible for his success or failure. We old war horses in the business take considerable satisfaction to ourselves in saying "life insurance is a profession," but we seem to forget that when we persuade an experienced man to take up the work. We seem to think that we should be able to go

into the highways and byways, there pick up an inexperienced man, give him a rate book and perhaps advance him $100 a month, then breathe a sigh of relief, pat ourselves on the back and say "what a magnanimous thing I have done." I have taken a man from the common walks of life and made a professional man of him in one day, and we really seem to expect that man to strike a winning clip at once. That is not successful organization.

It is an injustice to the beginner, and an injustice to the company and a greater injustice to the insurer to permit a man to start out to solicit alone before he has acquired a working knowledge of the business. The old saying, "Well begun is half done," applies very forcibly to beginners in our profession. A thing that is worth doing at all is worth doing well, and if a man is worth starting at all, he is worth starting well. And I think that team work is a successful way of starting a man well. Give the new beginner the benefit of some of your experience, not alone by theory, but by actual practice, work with him a few days then turn him over to another experienced man and then to another until he has had enough practice with experienced men to give him a working knowledge of the business. I would extend the team work even farther. Just as soon as a man becomes unproductive change the conditions under which he has been working. If he has been working alone go and work with him yourself for a while, or send a man to work with him. We are all creatures of habit and too apt to follow the path today that we trod yesterday, while perhaps a suggestion from a fellow-worker will switch us from the unproductive rut and start us upon the high road to success. Every man is a mascot to some other man and some other a mascot to him. Team work will result in making a many-sided man out of a one-sided man, each side becoming highly polished by the friction of ideas and methods, and from contact with other men's ideas and methods.

Many of us when we have heard of the success of some big writer wished that we knew how he did it and perhaps when we have worked with that man have gleaned something of value from his methods, or perhaps on the other hand, have found him weak in many respects

and have left him feeling ashamed of ourselves that we have not done better work than even he. But the good resulting from contact with him inspired us to emulate his example. No one man can tell another exactly what to say, there is no patent method or set speech that will exactly fit every case, but there are certain ways of presenting propositions which each experienced man does in his own peculiar fashion. The new man has to learn his way of presenting it and it is by the friction of ideas that he can soon acquire that method. See to it that your men are members of the local underwriters' association, and see to it that they follow the ethics of the profession. Also, that they attend the meetings of the association, and are in good standing, for by coming in contact with the class of men they will meet at the associations they will have a higher estimate of themselves, as a man is no better than he thinks himself to be. By following the foregoing suggestions you will get a better class of solicitors who in turn will get a better class of policyholders and the profit will be yours. [Applause.]

President Ward—We have listened with great profit to the papers and talks on "The Local Association," on "The National Association," on "The Duty of the Agent to His Prospect," on "The Duty of the Agent to the Insured," and on "Agency Formation." We will now listen to another subject "What of the Policyholder?" We will now for a while honor the policyholder. The preparation for this convention began at the meeting of the executive committee in Philadelphia. At that meeting one of our members, Mr. Foster, suggested a certain theme which is of interest to every man in the insurance business, and is also of interest to every man carrying a life insurance policy. Mr. Foster told us that he had just the man to talk to us on the subject. We accepted Mr. Foster's suggestion and extended our invitation, and it gives me pleasure today to present to you the Hon. M. L. Temple of Osceola, Iowa, who will speak to us on this subject "What of the Policyholder?" [Applause.]

Mr. Temple—Mr. Chairman, Ladies and Gentlemen of the Association: It affords me great pleasure to be with you, but when my good friend, Sidney A. Foster, informed me that it had been arranged that I might meet with you in this national convention of the men who con-

trol the greatest financial interests of this country, I was in a measure panic-stricken. In a brief moment, I pictured to myself this great assemblage of business men,

experienced, trained, skilled in great financial enterprises, and I said to myself, "I can be of no benefit in such a company; I am out of my class, and out of place in such a meeting." I saw in anticipation, gathered here, as I see in reality today, the men representing the great aggregations of capital held as a trust fund; presidents and members of the executive boards; actuaries, skilled in calculating to a nicety, not only the chances of business, but the length of days that are vouchsafed to us poor mortals and our present market values in the field of the world's great activities, and that, with such accuracy that the greatest edifices of human finances may be safely and enduringly builded upon the piles by them driven into what to the uninitiated seem the quicksands of doubt and chance. I saw here the heads of departments who have been trained to operate the vast machinery without note of clamor or discord. I saw here the trained agent, who gathers from all walks of life and all classes of men, the humble units who go to make up this wonderful aggregation, the great insurance world of today. I then thought, in the midst of all this collection of men, filled with the enthusiasm of their profession—what of the policyholder? Who will be there to speak for him? As an humble policyholder I reluctantly consented to come. I cannot hope to enlighten you on the matters pertaining to your business, but I think you will likely be interested in what the insured in city, town and hamlet, all over this broad land, are thinking of the business and the conduct of it, and the limitations imposed upon it. I therefore come before you plainly and simply as a policyholder, for a brief time to discuss the matters involved from a policyholder's standpoint. That the average policyholder believes in insurance, is undoubtedly demonstrated by their numbers and the

amount of their holdings, with a constant increase of both. That they are satisfied with the general management, is proven by the same evidence, and by their tenacity in holding on to the investments. That the legitimate forms of insurance are more and more appreciated, is shown by their greater relative growth and by the fact that the young and insurable risks of the country are in greater and still greater degree passing by the erstwhile alluring schemes of "insurance at cost" and the various plans of assessment.

I can scarcely yet appreciate the causes that led your estimable president to accede to the recommendation of my friend Foster. I can only account for it on the theory contained in the moral of the story coming from my native state of West Virginia, where it is said that a Methodist evangelist who had established a country church among the hills, began to feel in due time that they were of enough importance to command the services of a regular pastor. They therefore, before a conference, sent their humble petition couched in these words: "Dear Bishop, we have a church here on Sugar Creek containing sixty-five earnest and active Christian members. We think we ought to have a regular pastor. If it is possible send us a permanent circus rider, but if you cannot spare one, give us a locust preacher, but if that is impossible, we can put up with an exhauster" [laughter], and I thought possibly after all that had been said here that I was sent as an exhauster to close the program, but as a plain policyholder and not as a kicking policyholder, I want to talk to you on a few matters that have come within my observation and experience.

Thirty-one years ago I became the fond recipient of a policy of life insurance. I have hung to it and been persistent and it is now paid up, for it was a twenty payment life. I have added to that other policies, and I am hanging on to what I call a very good investment, about the only estate I have, in fact, to show for thirty-one years of business life. My office in a little country town has been a sort of stopping place for life insurance agents of late years, since they have had a good reputable standing in the community. One of the first to give it tone was my friend Jim Shockney, whom I am happy to meet here. I have discussed life insurance with my friends

and fellows, people situated as I am, from the outside point of view. I have been for ten years a humble member from a country district of the Iowa Legislature, and I have come into contact with the people, policyholders and non-policyholders in that community, and have listened to a great deal of the prejudice and the clamor that exists among the class of people among whom you work, against insurance of all kinds, and I have studied the subject with a view of finding out what it is that has created the prejudice, the last lingering remnants of which are presented yet against this magnificent business. Now, one of the things that I think leads to this lack of appreciation is the fact that the average policyholder himself, and certainly the uninsured to a greater degree, has a very faint idea of what a life insurance company is and who constitute the company. They understand that there is a home office, an indefinable sort of a thing, a corporation without soul, located in some city, which has a habit of reaching out over the country and taking in the money or contributions, and that any attempt we may make by court proceeding or legislation to stifle that monster is a service of value. They do not realize that the life insurance company of today is made up of the units of the insured, and I believe that the greatest work of education that this association can enter upon is to educate the people of this broad land to a realizing sense of the fact that the insured, the policyholder, is the unit out of which the structure is built [applause], and so I am pleased to meet with this association of business men, to hear your broad views and high aims and objects so magnificently expressed, as I have heard them here yesterday and today, and to know that you are prepared to go out and assist me as an humble policyholder and humble member of the legislative body in educating the people to an appreciation of this work of the century. [Applause.] "I would," in the language of Hotspur, "have me a starling, and I would teach him but one word and that should be Mortimer."

I would impress upon the people of the country that there is no insurance company except the policyholder. Why would I do that? Because I could then appeal to the enlightened selfishness of men and get justice from them. I happened to be in the session of the Iowa Legis-

lature that revised the code in 1897, and to learn from the ordinary and average rural members, good, honest men, how insufficient, how woefully lacking is their knowledge of insurance of all kinds, and how, when we were striving for revenue in 1896, in the dark hour of the panic, and looking for new sources of revenue, the general impression was that if we could get something out of the insurance companies, it was that much clear, and it is not because those men are dishonest, it is because they are illy-informed. I told the Ways and Means Committee that they reminded me very much of the opinion of a client of his antagonist. I had a suit coming off the next day. My client came in the office to rehearse with me and get ready, and he said, "I want you to cross-examine the other fellow very rigidly, because our whole case depends on that, and he is a very dishonest fellow." "No," I said, "I do not believe he is. I believe he is a good, fair citizen." "Why," he said, "you don't know him. He sits up late at night, until his family is all asleep and when he goes to bed he will hide his pants and get up at two o'clock in the morning and rob his own pockets, to keep in practice." [Laughter.]

I insisted in the legislature that our bearing down on the insurance companies of the country was all of a piece with the practice of the man who robbed his own pockets expecting to get rich thereby [applause], and the only cure for it, gentlemen, the only way that you can reach the people who hold the legislative power of this country is by agitation, and you must reach them—while they are an honest and a straightforward people as a rule and do not mean to be unjust—you must reach them by telling them where their interest lies. I care not whether the insurance company be mutual or stock, if a stock company, the stock is placed as a guarantee for the performance of the contract. It is not expected to be used. It is expected that its value in yellow money invested in genuine business shall reap a profit. It is expected that the policyholder shall pay every dollar of every kind that proceeds out of the treasury of the company, and when you educate the people to that view and that belief with a knowledge of that fact, you insure them more easily, you care for their funds more easily, you will not be annoyed by their attempt to rob you and rob them-

selves You will be able to show better results and take better care of us, the policyholders.

There is usually some well-defined origin of these popular fallacies The origin of some of these delusions may be traced to mistaken ideas in the past in soliciting and talking life insurance to the common, the ordinary man. I notice you gentlemen use in your own vocabulary —which is very convenient for you—the phrase "selling a policy," and that it is worth a hundred cents on the dollar, and you talk about the company and its assets, and you talk about the company patrons. Get just a little bit closer to your policyholder, and remember that he is co-operating with you, and ask him to take a share with you in the great enterprise. [Applause.] Make him understand that when he contributes to those assets he is in fact, as he is today, a shareholder, and that you are his faithful trustee of an express trust, and that you intend to carry it out faithfully, as you have in the past. Then you will get rid of some of these delusions. [Applause.]

A great many of these errors arise from want of knowledge on the part of people, and lack of power to discriminate between true insurance and that which is a mere makeshift for insurance. Just last week, sitting in my office, I ran across a dissatisfied, disappointed, angry policyholder, holding a twenty-year payment life policy for two thousand dollars in one of the best companies in the country. I am not here to advocate any company, but I know this one as being in the rank of the best. Now, it came about in this way. Some agent had come down from the city of Des Moines and insured his crop this season for eight hundred dollars against loss or damage by hail for five years, and had taken his contract, and in the policy it stated that the assessment under the by-laws that would be made at the end of the hail season to pay the losses would not be in excess of four per cent. of the face of the policy, but that it would be whatever was necessary to pay the loss and the expense of the management of the company for a year. Last year that company, which did a fair and legitimate business, was able to close its business at the end of the season with a one and a half per cent. assessment. This agent, very confident and over-zealous, and very desirous, doubtless, of a commission, gave the young farmer a pencil written mem-

orandum signed by him as agent guaranteeing that his assessment this year should not be over one and a half per cent. If that farmer had looked in his policy he would have found that any statement made by an agent not contained in the policy is of no force and effect as against the company, but he did not look for that. The business year of hail insurance had ended. The management of the company had received proof of loss on all losses that occurred over the territory on which they insured. The assessment necessary to pay losses and expenses was two and eight-tenths per cent. Instead of calling upon my client for $12 they called for $22.40. He came in angry and wanted to know what to do, said he had been defrauded. I looked his policy over and said, "My good friend, you have not been defrauded, you have been deceived, that is all, but you have got all that you contracted for and you have got all that you will pay for, your insurance, but you have taken a representation from an agent which he was not authorized to make." He said, "I will cancel this policy immediately, and beside that, I want to stop a life insurance policy that an agent got me to write about five years ago." [Laughter.] "Why," I said, "what company is it in, my friend?" He told me. "What kind of a policy is it?" "A twenty-payment life." "Have you made five payments on it?" "Yes, sir." "Now," I said, "My dear boy, let me talk to you a moment. You are confounding two entirely different things. Living here in a county where for thirty-one years there has never been but one disastrous hail storm, and that less than a half-mile in width, it was folly for you to go into a mutual contract for five years to help pay the losses of the farmers up in the level northwest part of the state and over in South Dakota. You did not need that kind of insurance, but this life insurance you do need. You own a little farm out there that you and your wife are attempting to pay for. You have three little helpless children. There is not a single year goes by that you do not owe the bank a considerable little sum of money to help you carry the cattle you feed your crop out to. Suppose, my friend, that you quit paying on this policy. How far will your premium go toward paying your account in the bank that you owe for carrying your stock this winter? A very little ways. Suppose some time

during the storms of winter you contract pneumonia or typhoid fever, or by some accident are brought home to your family dead, and your little wife attempts to pay the bank and the balance of the purchase price of the farm. What will become of her and the children? There will be an administrator's sale promptly. Your feeding cattle will be closed out at once, your farm will be put into the hands of a referee to sell, and your wife will receive but the remnant. My dear boy, carry your policy. [Applause.] I hope no such misfortune will overtake you, but if it does, in God's name don't you need that help, that provision, that foresight? The life insurance agent who insured you did the best day's work for you that you ever received from any source." [Applause.] I spent half an hour with him explaining to him what life insurance was, the scientific nature of the business, based upon experience, the honesty and integrity of the business, the wonderfully small percentage of loss, which can best be expressed by the sign of infinity as compared with the great volume of money handled and honestly paid out. He went away and said, "I am glad I came to see you. I shall hold on to the life insurance until I have made the twenty payments on it." [Applause.]

So I say to you, gentlemen, that the sources of error are manifold and you have to meet them, and you have to meet them patiently, and you can only meet them by a campaign of education, and I am glad to see, as I say, that this association is growing and flourishing and restless to begin that campaign. We are very frequently called upon to legislate upon these subjects. I live in a county that has been very close between the two political parties. The party to which I belong had up until lately but from 95 to 125 majority, an agricultural county with the largest town in it of but 3,000 population. Though I have been elected five times to the legislature, I have had to go out to the farms and appeal to the people. And so in meeting campaign arguments I have met with the people and have learned the nature of the delusions that take hold upon them. I have been called to account and to answer to my constituents in public meetings out in the country schoolhouses and churches and asked if I would vote for a valued-policy bill. Asked if I would vote for a measure in the General Assembly

which should neutralize every provision in our policies against suicide or false or fraudulent representations. Now, my people don't mean to be unjust. What they want to know is that when they ask their representative to vote for such measures that they are voting against such interests. The man who is not insured? No. It is always the insured and his friend who imagines that he suffers from a grievance that make this trouble and make these demands. We must educate the people out of these ideas. We must give them to understand that the business is theirs; we must give them to understand that every unscientific attempt to interfere with the management of these great business enterprises, taking it out of the hands of skilled men and directing it by the hands of unskilled men is dangerous, not only to the business but to the true interests of the people, whether insured or uninsured. [Applause.]

There is no question but legislation has at times been needed. The value of wise legislation is conceded by every insurance man. In the early days of life insurance there were harsh contracts which I believe wisdom and experience would have softened and modified and made practical, but the modification came largely along the lines of legislative interference in some of the older and conservative communities. And so far as that has been done it has been of benefit to the business. The inspection of the insurance companies and the publicity that has come to the world from the just, honest, upright, fearless official inspection has been of benefit to you, for it was an advertisement that came stamped with the brand of authenticity, but unwise and unscientific legislation will destroy a business so nicely balanced and so calculated upon the experience of ages that we cannot afford to indulge in it and we as policyholders beg of you men who are managing this business to assist us in eradicating this hostile and adverse legislation. [Applause.] There is extreme danger in the placing of arbitrary power in the hands of insurance departments; if the head of the insurance department is a just man, an intelligent man, an experienced and a trained man he may be of benefit to you. If he be a corrupt man he may hinder you and hamper you and destroy your usefulness and interfere with the progress of your business

to a ruinous extent. If he be an honest man but an illiberal and unscientific man he is still a more dangerous one. You can buy the scoundrel but you cannot move the fool. [Applause.] So we have dangers along the line, not for you, gentlemen—there will be enough left in the vaults of the company to pay the home office and the field agent and everybody else—but we are the ones who make up the deficiency when the assets are depleted, when they are in any manner impaired. It comes from your policy and mine, my friends. We pay it as policyholders, and we ask you that you will assist us in protecting ourselves.

I happened to be last winter on the committee of investigation to investigate the acts of the outgoing officers of the insurance department in my own state. I do not wish to go into details, nor to say anything derogatory of these two gentlemen, but simply to say this, that in a period of about eight months before their term of office expired they got out of the insurance companies of this country $24,000 that the legislature did not know where to put. There was no place for it. They put it in their pockets. Policyholders paid it, and we are not blaming you, gentlemen; we are blaming our own misguided zeal. It has been well said that the best government for mankind, the simplest, most effective and quickest in its operation, is an autocratic despotism, if the despot be a beneficent one. Under a Trajan, a Marcus Antonius, Rome was happy, but her condition was absolutely unbearable and terrible under a Nero, a Caligula or a Domitian. I observe a dangerous tendency in my own state (which is a reasonably liberal state) to place power in the hands of the insurance department which I feel bodes evil for the future, and we would not pass such laws if our constitutents behind us were educated in these matters. The uniform solvency and success of legitimate life insurance ought to have taught our people their error, but they do not know it and do not understand it. Give to your policyholders more of your literature. They are entitled to a part of it, even if the expense has to be paid and you have to increase the loading a little. Give us to know what is being done, for you need not be ashamed of it. The great and magnificent business will bear the searchlight of public scrutiny

turned upon it every hour of the day and night. And so, my friends, we ask you to assist us in giving us full knowledge of what is being done. We need your assistance in the education of our friends and our neighbors as to the difference between true and false insurance. The frauds that are being perpetrated, the wrong that is coming to the so-called policyholder is coming from those vicious substitutes for true insurance.

It has no doubt appealed to you as agents and managers that there is a great injustice in imposing unwarrantable burdens upon this magnificent business. It comes to you with no more force than it does to me, and my fellow policyholders who are trying to learn something of the intricacies of this business that produces such wonderful results for all of us. We ask that these burdens be taken off. Some of these burdens may seem to you trifling, but to one like myself who has been paying on more insurance than he could conveniently carry ever since he entered business life, it is a burden to know that the state is attempting to make a source of profit out of his provision and foresight and care for his family and for his dependent ones. Taxation of insurance is an unjust burden, I care not in what state it is collected nor by what legislature it is imposed. [Applause.] There never was a moment of time when the state of Iowa, the state of Indiana or any other state in this magnificent union of states could afford to lay discouragements in the way of that providence and foresight that makes the insurance business of this country possible. There is no more reason why I should be taxed 2½ per cent. on every premium that I pay annually in my attempt to lay up a little estate that will care for my dependent ones if I am carried off, than there is that you should tax any other charitable or eleemosynary institution within the bounds of my state.

Now, I want to give you a few reasons why in my judgment insurance should not be taxed. In the first place the great benefit of life insurance is such that the state can afford to exempt it and wisdom in legislation will exempt it. Did you ever stop to think—I know some of you have, these managers could not help but think of it—what a great figure the life insurance business cuts in this country—to use a slang phrase—in the stability of its

finances. Looking over the Blue Book, I find that at the close of the year 1903 the assets of the legitimate life insurance companies of this country were $2,057,000,000. There is only one other business in the country that represents a greater fund of available financial means, and that is the railroads. Two billion, fifty seven million is an enormous fund, and it tempts the cupidity of the committees on ways and means of the legislatures. But where did it come from? It came from the pockets of the upwards of four million policyholders. And who are they? Out of more than one hundred millions of life insurance in my state the average size of a policy is $1,-700. Who holds them? Men whose only asset that will keep their family from penury and want in case of their sudden and fortuitous death is their life insurance are the holders of those policies. I am not pleading for the merchant princes, the financiers of the country that you deal with in the city who will take life insurance along with us and help along the matter as a matter of investment. I am talking of the great majority of policyholders, the masses of people of moderate means that I represent before you here today. Now, out of our earnings has been accumulated this fund. The great majority of us are just as well off in this world's goods outside of that policy as we would have been if we had never taken the policy. [Applause.] I can stand here before you today and say that I have carried, over twenty years some of it, $16,000 in the old line life insurance companies, and three or four years more will see the last policy paid up, and I am just as well off as I would have been if I had not taken those policies. [Applause.]

I am going to tell you how I came to take my policy, and I apprehend that my mind has been moved very largely as those of other men. Thirty-one years ago my young wife and I passed through Indianapolis at midnight of October 1, 1873, on our way west. Neither of us had ever been north of the Potomac or the Ohio; we were going to a strange country. I confess, gentlemen, without boasting and without shame, that when we left the good old state of West Virginia we had just $200 out of which to pay our fare and set ourselves up in Iowa. Not a very big sum. I hung out my shingle and started in to practice, in a new state that had just adopted a code,

about two months before I got there, and practice did not come very rapidly. When the first boy came to gladden our humble fireside, there was a new dependent one, and although I was strong and vigorous and full of hope and courage, I knew the old maxim, "The young may die, the old must," and that it was time for me to make some sort of provision. I hunted up a life insurance agent. [Applause.] I actually felt a little guilty at being seen to go into his place of business [laughter], because the life insurance agent in that country in 1874 ranked along with the lightning rod peddler and the seller of patent medicines; and so thoroughly was that imbued in me that I really was wonderfully surprised to get into this body of life insurance men and find some of the best men I ever met. I took one policy of $1,000, $26.55 annually for a twenty-payment life, dividends applied on premium after the second year; and do you know that I could not feel sure that I could pay that premium when it came due, and so I took it on the quarterly plan. They charged me up 6 per cent. interest on the deferred payments. I managed to pay it. There were absolutely times when I had to economize and deny myself something I saw in shop windows which I wanted in order to have the money to pay for it and if I had not done it I would have spent every dollar on something else and never have had anything to show for it. After a while I found I could pay the premiums annually, and I took a $1,500 policy on the same terms, thinking that if I should be taken away, my wife, left among strangers, could take that baby and go back to her old home and friends and have a little something to live upon to keep her from want and penury. [Applause.] And let me tell you those are the things that appeal to the people of this country in their appreciation of life insurance. I had $2,500 of insurance. And when the next boy came to gladden our household, which was not quite so humble, I took out a $5,000 policy, because I wanted him educated better than I had been. And I kept on adding to it, and it is my fortune, it is my estate. Outside of my home, my office and my library, it is all I have saved and all I ever would have saved. Now, I have contributed for thirty years to this sum of $2,057,000,000, and I am getting a great deal of satisfaction out of it now although it

is all twenty-payment life. From 1893 to 1897 when bankruptcy was staring the business men and the farmers of this country in the face all the time, when the banks simply said to the borrowers, "We cannot lend you one dollar," when the farmer who had fallen behind in his calculations went to his country bank and asked for a loan on the credit of his broad acres, he was turned away and told he could not have it; when no money was available, or, if available, for only the shortest banking period, what kept the sheriff away from the door of the Iowa and the Nebraska and the Illinois and the Indiana farmer but the great fund of life insurance, which you were ready to loan on good security and place out at reasonable interest? [Applause.] And had you been as selfish and as soulless as corporations usually are you could have gotten back from the legislature and the state treasurer every dollar of that taxation by raising the interest. The people had to have the money.

A friend of mine told me the other day that in the city of Council Bluffs during 1896 when a young man the son of the head of a great wholesale grocery house had stepped into the bank one morning to borrow $3,000 and the bank turned him down, he turned out sadly with his hand trembling and his lip quivering, and he said to his friend, "This means our ruin. There is $3,000 maturing this afternoon at 2 o'clock. If our paper goes to protest our whole financial institution goes into the hands of a receiver and wreck and ruin await our firm!" "Cannot you get it from any bank?" "No, sir. This is the last place where I thought I could get it." "Young man, your father holds a policy in my company," said the district agent, "go and get those policies and bring them to my office and see what the loan value is and I can let you have the money." "Can you get it here by 2 o'clock?" "Yes." The old head of the firm grown gray in business was reduced to that stress. The young man got the policies, the assignment was made out in due form and the old gentleman signed it, and the district agent drew his check for $3,000, and at 2 o'clock that firm's paper was honored and its indebtness was paid. [Applause.]

So I say that fund of which you gentlemen are the trustees and which trust you are so faithfully administering is

the great balance wheel of the finances of this country among us plain common people. It is one fund we can turn to. You keep our money out on good security and help to retain in business the worthy man. So I say the state ought not to tax a fund that is so beneficial to every interest in the state.

But let me take up another proposition—its general effect on the citizenship of the country. Now, I suppose, gentlemen, I am only talking platitudes, but I am expected to put in an hour here and I am going to do it. [Laughter.] I have been during my whole term in the state legislature a member of either the Ways and Means Committee or the Appropriations Committee, and I think in two terms out of five I was a member of both. The Ways and Means Committee of our state devises the method of raising the revenue, and the Appropriations Committee determines what shall be appropriated. Both are responsible. I have been twice chairman of the Ways and Means Committee. I have tried in my own humble way to study these subjects, and let me tell you what I have found. I have found from year to year the burden of taxation increasing and I have said, "Why does it increase? I must go back to my people in the next political campaign and give an account of it. But if this were the last time that I were ever to be called to public service I must do my duty as an intelligent legislator and must know what I am legislating about and why I am appropriating this money." What do I find? I find that the bulk of the taxation of every state in the Union is for the support of those whom our medical friends term delinquent, that is those who are delinquent or deficient morally, mentally or physically.

In my state we maintain two great institutions called penitentiaries, in which we incarcerate the morally delinquent, two other institutions called reform or industrial schools, in which we incarcerate the youthfully morally delinquent. We have four great asylums or hospitals for the insane, whose sole duty it is under our Christian civilization to care for the mentally delinquent. We have an asylum for the feeble minded, for the deaf and dumb and for the blind; the Benedict Home for fallen women; the Soldiers' Home and the Soldiers' Orphans Home; fourteen charitable, eleemosynary and penal in-

stitutions, to be maintained by the state. I have said to myself, "Whence comes this immense tide of human delinquency that refuses to be stayed, that rolls on and on an ever increasing wave. Where is it to end? When will the time come that we can cease to raise taxes?" Not while the tide of delinquency grows higher and higher. I have in my humble way sought to study the problem of human delinquency. I have read the authorities and I am not going to take time to quote from them, but I give you simply in brief the results. The authorities vary. The percentage of human delinquency is placed by different authorities in varying percentages, some for one cause and some another, but one cause stands out fairly prominent, accident. That accident or unfortuitous circumstance that takes from the family in the youth of the children the bread winner, and 20 per cent. of the delinquents, some authorities say, which is the lowest, and some say as high as forty-six, are those cast adrift in our society from the simple fact of this misfortune. But you ask me, how can that add to the tide of those delinquent ones who are unable to be self supporting and who are cast on the charities of the state? The answer to that my friend, is easy. The tide of delinquency is recruited not alone by hereditary causes—we have paid too much attention in past years to inheritance. The best and most skilled students of charity tell us that the delinquent becomes extinct in four generations. Under the immutable laws of nature society will largely purify itself of all delinquents in four generations so that there would be a decrease instead of an increase. The delinquents come from the homes of those who are mentally and morally and physically average perfect. How does it happen in every town and in every city you know that large mass of people that constitute the bone and sinew of our country, the middle classes, live with reasonable comfort but without capital to provide for the young people that swarm up from the family home. Marriage is an institution ordained by God, and thank Heaven our young people take naturally to it. John from a moderate home, becomes acquainted with Mary from a moderate home who reciprocates his affection. The time comes when they are to be married. The parents can only give them a pleasant event in their lives in the way of a

pleasant wedding with reasonable provision for a cottage home. The young people then start in the battle of life for themselves just where we started. John finds employment in bank, counting house, mercantile establishment, factory, or on the railroad or the trolley line. His wages may be anywhere from $40 to $125 a month. He carries the money home for the support of the loved ones there. Little ones come to bless that home. We are all glad, for that is an anniversary of happiness in any Christian home. The home is bought probably on the installment plan of monthly payments. The payments are kept up but the young people want to live comfortably and in fair style. Some day under some unfavorable circumstances John comes home with a raging fever. The family physician is called in, shakes his head and gravely announces that pneumonia has set in or that the symptoms of typhoid are present, or perchance if he is out upon the railroads or in a factory one of the common accidents that occur in those vocations has befallen him and he has been struck down in his young manhood. When the funeral comes there is scarcely money enough on hand to lay him decently to rest, and then Mary, who has never been taught any occupation except that of soothing the aching head and ministering to the comforts of the household and performing household duties or overseeing a cheap servant, is met face to face with the problem of what she shall do, what is going to become of her and the one, two or three little dependent ones. She cannot go back to her father and mother; they are now old and they are unable to bear the burden. She inquires as to how much encumbrance yet rests upon the little home. It makes no difference whether it is one-third or one-half its value, it is beyond her. The home is lost. She must move into cheaper quarters; she loses her social position and standing and she must undertake the battle of life now as a bread-winner, to which she has not been educated, and for which she is not prepared. You have seen those instances. They are familiar to you on every hand. The dresses are made over and the little ones are clothed in the cast off skirts of the mother. They drop out of school; they run the streets neglected while she is earning the money to buy their daily bread and pay the room rent. They are

missing from the Sabbath school, from all the places of education, and fall into evil habits. After a while that mother breaks down under the unwonted strain and she is sent to the insane asylum, and her children are being educated for these other institutions for delinquents, the male and female reformatories, the boys' and girls' industrial schools, and they graduate usually from those institutions into the penitentiary. The state has to take care of them. There is where our army of delinquents is recruited from largely, and life insurance, more than any other institution in this country, I say it, and I say it with all respect, more than the churches, more than the great charities in this country, life insurance protects the families of the provident. [Applause.] Then, my friends, I want this association to join with me as a policyholder in a crusade against this unholy tax wrung by the state from that very fund, giving the state more taxes than it ever dreamed of. The tax is unjust in every respect.

Assessment day in my state is fixed as the first of January. Usually I have provided the money to pay on those policies and have it on hand by the first of January, and am compelled to give it into the assessor as moneys and credits. It is taxed as my neighbor's money is taxed, and on the 15th and 25th of March I turn over to my insurance company that money, and 2½ per cent. is taken off it and sent up to the state treasurer. It is tolled again. And when in my history from the years 1893 to 1896, in order to save what little I had outside of the insurance, I was compelled to anticipate part of the borrowing value of my policies and become a debtor to my insurance company, I could not set off the amount of my indebtedness against my policy, as my neighbor could set off his indebtedness against his moneys and credits. I am taxed three times. My neighbor escapes with one tax. Why should this great beneficent institution be taxed? Why should the state of Indiana or the state of Iowa ask these institutions that are simply the results of the thrift, the prevision, the foresight, the wisdom, the self denial and the toil of these people, of its middle classes, to pay an unwarranted burden of taxation? We are willing that these institutions should pay the cost of the maintenance of the insurance department in so far as that department does us good and assists us in the protection of the funds,

but we are absolutely unwilling that the state of Iowa should take $200,000 a year off the life insurance business done in that state. And, my friends, we owe it to ourselves, you as trustees of this trust, I as one of the parties interested, that we make a protest against it. A thing so radically unjust cannot stand the second sober calm deliberate thought of the American people. [Applause.]

Tax our life insurance? Tax our policies, upon the theory that they are an asset? Why, my friends, that policy is never an asset until it is due. Mine are not due until the clods fall on my coffin, and when the company pays that insurance it will be open to taxation. My family will be worth that much more to the country as subjects of taxation, as good citizens of the commonwealth and the republic than they would have been if I had not denied myself all these thirty years. [Applause]

Now, upon that line I want to compliment you gentlemen upon the matter of organization. I have listened to your discussion today with much pleasure as to how you should perfect this organization. As a policyholder I want to say to you presidents, actuaries, managers, agents, go on and perfect your organization. If it takes money to do it take it out of our funds. Get together; organize; assist us; make your business the most profitable and best understood business in the country. The just man, the progressive man, the thrifty man who succeeds in business advertises. We can not advertise this business better than by placing it on the high plane on which you seek to place it.

I think there ought to be as strict supervision of agents, as has been suggested today. I agree with those who have discussed this question. Better never put a man on your books as a policyholder than to put him on through any deception or misunderstanding. There ought to be no trouble to sell an intelligent man insurance. No, not to sell him, to ask him to join in this greatest of all human charities, with the knowledge that he will get his share back carefully accounted for. The agent who deceives the policyholder injures all of us. It makes the people dissatisfied, he injures himself, he injures us, he injures all he comes in contact with.

I want to say a few words as a policyholder that will be in conflict with some things I have heard from this

rostrum since I have been here. I am addressing myself now to the home officers. That is, I protest against too great an extension of what you call liberalizing policies. There was a need of great liberalizing; there was need of protecting the unfortunately insured who was unable to carry his insurance. It was unjust and unfair that you should make a great profit for your company out of the lapses of the unfortunate. But when you go so far as to strike down all barriers, then I protest you are injuring me as a policyholder. I notice that some of the great companies of the country which are managed by great men who know more about it than I do, have taken out of their policies all restrictions against suicides. Last year a fellow member of the legislature introduced a bill to that effect in the Iowa Legislature, and I flatter myself I helped kill it in the Joint Committee on Insurance, and he got it referred to the Committee on Judiciary, and has made a fight on it there. Now, I am not going to enter into the fine spun theories of insurance as relates to suicide, but I am going simply to say this, gentlemen, and you can draw your own conclusions; that if a fire insurance company wants to take insurance on my house and its contents and my office and its contents and my business building and its contents and tells me that they are going to insure Jones for any amount that he wants to pay on, with the express provision that if he wants to commit arson next week and burn the building they will pay him the full face of the policy, I would not trust my insurance to that company. [Applause.] Why? Simply because I know that I am going to help pay for that fraudulent loss, and I don't want to encourage fraud. I am ready to help encourage prevision, foresight, to alleviate misery and the unfortunate, but I am not willing to be a party to fraud, so I am not willing that the man who has robbed a trust company, defaulted somewhere, been guilty of forgery and all the crimes known against property, and who is ready to sell his worthless body in a cowardly attempt to avoid the expiation of his sins in the penitentiary—I am not going to help pay a death loss on him. [Great applause.]

My friend said to me in the course of that debate before the joint committee of the two Houses that it was preposterous for me to insist before an intelligent com-

mittee of the legislature of Iowa that any man would commit suicide for the purpose of realizing on a policy. He said he did not believe that any man ever did such a thing, and consequently that my argument was purely and wholly suppositious and had no basis or foundation in fact. I said, "If that is true then why have you got the bill here? There won't be anybody affected by it!" [Laughter.] The very next newspaper brought me news that a friend of mine, a hitherto honored and respected citizen in a neighboring town, had committed suicide and had left $69,000 of life insurance, $50,000 of which had been written within the last three months in your liberalizing companies. [Applause.] Now, I don't know why he committed suicide, but it does seem to me, as a lawyer, a little strange that within ninety days he would take $50,000 of life insurance and select only the companies that had no restriction, and then put a revolver to his head and blow his brains out and let his friends before the funeral go over and discover that he had robbed his employers of $400,000, was guilty of forgery, of embezzlement, of every crime known to those positions of profit and trust. I think that he died a criminal and that his collection of that money was a fraud upon the insurance companies. When I went into the insurance co-operation, I was told by my friends that this business was conducted upon a scientific basis. The agent opened his book and said, "How old are you?" I told him. He said, "Your expectancy is thirty-eight years and four months. What kind of a policy do you want?" I told him. "We will charge you, sir, a sum paid annually for twenty payments which placed at interest at 3½ per cent. compound will pay the expenses of handling your money and return you $1,000 at a given date." I said, "That is a plain proposition. I understand that."

I did not go into that with the understanding that whoever went in at the same time could loot a bank and blow out his brains next day and sell his worthless carcase to me. [Applause.]

I want to say another thing, that the liberalizing policies of insurance companies have possibly reached the limit. I would not say they have gone too far in the compromise or payment of losses on fraudulent contracts. As a lawyer I am not advising litigation. I don't do it with

my clients at home and I am not going to advise insurance companies to do it. It is possible that the loss on fraudulent contracts has been found to be so small that it is scarcely necessary to keep up the bars against it, but don't let them down entirely, don't let the man intent on fraud know you have no barriers. Keep your contracts strict and honorable as between man and man in honorable business life. That is your duty to your policyholder who is honorable; protect him against the dishonest and dishonorable man who co-operates with him in this great work, for life insurance is co-operation.

I had intended to say a word upon the element of borrowing but it has been covered by other gentlemen so that I feel like omitting that with just one passing statement. Borrowing ought only, in my judgment, to be encouraged in rare and extreme cases, but the average man who has the burden of dependent ones resting upon him, whose life as a breadwinner may go out at any time, ought to be encouraged by every means never to anticipate the value of his policy where that condition of things exists, and it is going to depend on you life insurance agents to make friends with these men and stand as their advisers. I realize that the best talent of this country is engaged in the life insurance business as I look over this company. I am not flattering you. It takes as capable men today to be successful life insurance men as it does to attain the highest prominence at the bar or in politics or anywhere else. No business has greater need of talent, and I believe no business is attracting more of the young and talented blood of this country than the life insurance business. It is so absolutely honorable today that I would commend my son to take it up and follow it in preference to following the practice of law in a country town or city. [Applause.] And as such talented men skilled in your business, it is your duty—nay, it ought to be your pleasure, not only to get close to the prospect but to cling close to your insured. Keep your friendship alive and warm with him. Keep in touch with him. [Applause.] You had to teach him to insure, and, gentlemen, if we people who are insured only knew what was good for us you could disband the whole force of agents and put them all into the home office and find business for them right there writing policies. [Laughter.]

One of the great sources of expense to the insurance company is the absolute stupidity of the ordinary man who needs insurance. [Laughter.] We really as a rule don't know what we want, and some bright fellow who ought to be in the ministry or somewhere else has to come around and beat into our dull pates a realization of what is best for us. [Laughter.] And we ought to pay for it. [Laughter.] I am proud to say to you that I have been an earnest supporter in the Iowa Legislature, and an efficient one, I believe, in the past, of an anti-rebate law that puts it beyond the power of any insurance agent in Iowa to rebate. I believe every agent earns his commission, and he ought to have it, and there ought to be no temptation and no possibility left for the penurious small soul to coax him out of any part of the compensation that he ought to have. [Applause.] So keep close to your policyholders and keep them with you. The day of speculating upon the lapses of the unfortunate has passed by. The broad-minded liberal insurance men today are not looking to that as a source of income. You get a man with you, you keep him with you. One of the great benefits of insurance as I suggested to you awhile ago, is that you are getting the bone and sinew of the land, the mucsle and the brain and the energy and the industry; you are weeding out the delinquent class and holding up the strong and normal class and protecting their little ones. See that they are kept there.

I don't know whether you are wise in multiplication of forms of option and contract or not. I don't know enough about the insurance business to know that, but I know there are certain forms of policy that never could be sold me. The plainer the form of contract the better, and I doubt very much the propriety of dressing your contracts in furbelows and frills for us plain common people. [Applause.] You can sell them in the cities; you can sell them among business men; you can sell them among those who can afford to speculate, but you had better sell us some plain protective mutual life insurance, something that will be good, that we can carry, that won't overload us, that won't discourage us, that won't crush all the energy out of us, something that will keep us and something that will keep our wives and our children if we are carried off by disease or accident and

that will keep them out of the poorhouse and put them in the rank of progressive moving American citizens.

There are several things I have omitted because they have been so very thoroughly covered by men more familiar with the subject, but the evils of the over-zealous struggle for business, leading to invidious competition and impracticable promises, is one of the things I hope this association will be able to deal with. Last Saturday evening I had a call from a young man with a lovely little wife and two babies. They are making a brave struggle for a place in society and in business life. I talked to him about taking insurance. I am not an agent for any company and am not getting a dollar for it. Three thousand dollars, I told him, would be a comfortable thing to leave his family. He went to the agent of one of the giant companies of this country. That agent undertook to sell him a policy with, I think, some frills on it. It was necessary to point out to him how much the cash surrender value would be at a stated period, and he would guarantee him that it would be $495 on $1,000. The young man took it and studied over it and met an agent of another of the giants and he learned what the first agent had told him, and he went him several better. [Laughter.] He showed him that his policy of the same kind would yield him at the same period $800 instead of $495, so my young friend came to me to have me help him solve the puzzle. He told me what two agents of reputable companies had told him. "Why," I said, "Charlie, they are neither of them attempting to defraud you. They are simply damned liars lying for practice. [Laughter.] Both policies are just alike. What one insurance company can do another can do practically." Now, there is no need of stirring up that distrust among us common people. You are doing evil. I am afraid that Charlie won't insure. His faith has been shaken in the whole situation. I will have to go back home and talk him into it. [Applause.] An agent who does that hurts the business. The business is big enough and the field is broad enough and the issue is certainly enough for you to go right along your way without backbiting one another, making invidious comparisons, drawing comparisons between the companies, because the utmost amount that you can make between one and another and

tell the truth is only very small compared with the general results. Now, I have exercised the right of a policyholder to criticise, and will ask of you your co-operation and assistance. I feel that I have that right. I feel that as a policyholder I have a right to stand before the most august body of insurance men in this country and talk for my people, for you are the trustees of an express trust, self-imposed, and therefore you are to be held to strictest good faith in the discharge of all of your duties, and we have a right to hold you to it.

Did it ever strike you you were the most peculiarly situated body of men in the world? I never heard of a strike among insurance agents as against their employers. [Laughter.] For the employers are the policyholders. But you enjoy the unique distinction of employing yourselves up at the head centers and then coming out in the country and telling us you have employed yourselves, and you fix your own salaries, make your own compensation and we as your employers furnishing all the money have no power to turn you off and discharge you. [Laughter.] But we do have a right to insist that the trust shall be honestly and faithfully discharged. I am going to say this: When such a record can be presented to me as the record of the life insurance companies of the United States I feel more and more like dealing with my fellow men on his honor and feel that I never will be betrayed. [Applause.] For we have dealt with you on honor, and the losses that you have made for us in the discharge of this trust are infinitesimal. The bankers of the union cannot vie or compare with you, nor the managers of the railroads. [Applause.] They will suffer immensely by comparison. And therefore I am going to close without leaving or registering a single kick as to the conduct of this business. And I want to say for the policyholders of this country that they will all feel that way if you will make an appeal to us and educate us on the subject. Come after us like my friend Jim Shockney used to when he got to learning the business in Iowa; when he got stuck he always came over and talked to me and hooked another policy. [Applause.] I am glad always to meet you, but I want you to continue to realize the trust you assume and that you have to deal with us as policyholders and make allowances for our

ignorance, our prejudice and our shortcomings. I would hate to think that with all the perfection of the life insurance business today it had reached its highest perfection. It is an evolution, a growth, and it is not at the point of standing still yet. It is going on and on to still greater dimensions, and let me suggest to you, my friends, that that threatening cloud of socialism that hangs over our body politic and social is going to meet with a sterner and more stubborn resistance from the life insurance business in this country unawares than from all the political rostrums in the land. [Applause.]

Life insurance is practical common sense, plain co-operation or socialism as you may call it, in which we honestly assume one another's burdens. The man who becomes a contributor realizes that if he lives beyond the allotted time a large portion of the interest on his moneys contributed is going to help those who are unfortunate to fall by the wayside in earlier life. He ought to be manly enough to contribute. The unfortunate who are spared to a length of day contribute to the relief of those who are cut down in youth or manhood's prime, and so by this co-operation making each independent, throwing the sheltering aegis around the homes of those who are struggling to a place in the world's affairs. You give a man an idea of independence, of his own personal right, of his right as an individual, his value as an individual in society, and you rescue him from the dead and stagnant pool of socialism. So I consider that life insurance has a mission before us, and I prophesy here and today that the time will come in this broad land that all persons eligible to be enrolled in this vast army who are contributing to bear the burdens of the unfortunate, to lighten the taxation of the state, to render happy the homes of the country, to diffuse and spread education, intelligence and comfort, will all be enrolled through the activity of just such associations as this. [Applause.]

At the conclusion of Mr. Temple's speech, at the request of Mr. Dolph, three cheers were given him.

Mr. Scott—Mr. President, I think that if we have done nothing else up to this time and should do nothing else beyond this time, we would have been amply repaid for our visit to Indianapolis by listening to the exhaustive and eloquent address of Mr. Temple. [Applause.] I

think, sir, that we owe him more than a vote of thanks. He has placed us under obligations to him. It is a debt of gratitude, and I don't know how to express it. We only have one way to express our thoughts in a body like this, and that is by a rising vote. I think, however, before I ask for that vote that I will suggest to the committee on topics that they can get enough topics out of that address to discuss next year, because he has given us meat there that will take us from this time until then to digest. I move you, sir, a rising vote of thanks for the able address we have just listened to. [Applause.]

A rising vote of thanks was then tendered Mr. Temple.

Mr Hart—By unanimous vote this morning this association determined upon a campaign of education. The address we have just listened to is the whole truth of the business. There is more vitality, living force and horse sense in this address than any one I ever heard upon the subject of insurance. What he has said about the state taxing the policyholder of old line insurance is true. The laws of this state tax its own citizens for the privilege of carrying life insurance. I want to suggest to the different societies comprising this association that they arrange to get copies of this address and circulate it for educational purposes among the agents and the citizens of the different states. [Applause.]

President Ward—That from an ex-insurance commissioner.

Mr. Durham—Mr. Chairman, I am very glad to have heard the suggestion made by the previous speaker. I had it in mind to make the suggestion, had it not been made. It is one, however, to which we should give careful thought. We represent here practically all the companies in the country, and consideration should be given, to my mind, as to the method by which that magnificent address could be best utilized in bringing about the effects intended by the speaker and desired by us all. There is no question but that it voices the sentiment of every man and woman in this audience. It touches upon the evils which we have felt and experienced, whether as policyholders, as agents or as managers. And it is also true that we must bear in mind that it is not one for which a remedy has not been sought. The remedy has been deferred for fear of opening Pandora's box of evil for new

legislation. The credit in this case must be sought for along the lines of Mr. Temple's address by educating the great public up to the point of realizing the necessity of having their legislatures carry out the desire and will of the public and not send them there to plunder and milk the public. If an amendment is in order I would suggest that the matter of dissemination of this literature or the methods of placing it before the public in the best possible way be referred to the executive committee with power to act, with the suggestion that it be presented to the companies in details and in general, and that a sufficient number of copies be got in some way or a method devised so that the great body of policyholders can be as nearly as possible reached in the best and most effective way without duplication.

The amendment was accepted by Mr. Scott and carried.

President Ward—If possible we want to get through with one long session tomorrow morning, so that you may accept the hospitality of the Indianapolis Association. The secretary will now call the roll and the various delegations will state who they desire to represent them on the nominating committee.

The secretary then called the roll and the following gentlemen were selected to serve:

Baltimore—J. Herman Ireland.
Boston—William B. Woodbridge.
Chicago—Danford M. Baker.
Cincinnati—J. W. Ringold.
Cleveland—Maj. F. A. Kendall.
Connecticut—G. W. Van Fleet.
Dayton—Victor P. Van Horne.
Delaware—B. F. Hamilton.
Erie, Pa.—James M. Dickey.
Grand Rapids—L. B. Hall.
Indiana—E. G. Ritchie.
Iowa—H. D. Everett.
Kansas City—Fred L. Chesney.
Louisville—H. S. Sheldon.
Maine—J. W. Fitzpatrick.
Massachusetts—G. P. Mitchell.
Michigan—C. L. Vieman.
Nebraska—Charles E. Ady.

New Jersey—Willard I. Hamilton.
New York—George A. Brinkerhoff.
New York, Central—F. E. McMullen.
New York, Western—William J. Robinson.
Peoria, Ill.—Guy C. Goodfellow.
Philadelphia—J. Edward Durham.
Pittsburg, Pa.—Charles W. Scovel.
St. Louis, Mo.—W. H. Herrick.
Toledo, Ohio—W. C. Longnecker.
Northern Indiana—J. L. Scott.

Mr. Dilday—Gentlemen, we have arranged to have a lecture here tonight by Dr. Goss, who will lecture on "Determination of Tuberculosis," and I know of no question of more interest to insurance men than that. We shall be glad to see as many of you here as can make it convenient to come. At 3:30 tomorrow afternoon we shall expect you on the trolley ride.

President Ward—This association has a method of perpetuating its conventions by publishing them in book form. It is customary each year for the delegates present to subscribe for copies of the book for themselves individually, or for their agencies, and to pledge the sale of a certain number in their own associations. Remember, gentlemen, that this speech of Mr. Temple's will be published in full in that journal of proceedings, as well as every other speech which you have heard from this platform. It is going to be a book which no insurance man who desires success can afford not to have on his insurance library shelf and we ought all of us to subscribe for this book at this time while we have a good full attendance. It costs us in the neighborhood of a thousand dollars to publish the proceedings, and that means we must sell enough copies at a dollar each to meet that expense. Now, gentlemen, we are going to open the list for a few minutes to receive subscriptions for that book.

The secretary called the roll and as each association's name was called one delegate therefrom arose and announced the number of copies which he or his association would take. The following subscriptions were received:

Baltimore Association, 39 copies; Columbian National Life Insurance Company, 100; Chicago Association, 100;

Cincinnati Association, 15; Cleveland Association, will order later; Connecticut Association, 25; Dayton Association, 20; Grand Rapids Association, 10; Indiana Association, 25; S. C. Marks, 5; Des Moines Life Insurance Company, 25; Kansas City Association, 15; Western Massachusetts Association, 20; Michigan Association, 10 at least; New Jersey Association, 15 at least; New York Association, 180 at least; Peoria Association, 5 at least; Philadelphia Association, 112 at present; Pittsburg Association, 100; Toledo Association, 10; Northern Indiana Association, 5; Franklin Life Insurance Company, 50; H. H. Ward, 25; American Central Life Insurance Company, 10; Erie Association, 10; B. F. Hamilton, Delaware, 5; Boston Association, 25; H. S. Dale, 1; total, 962 copies.

President Ward—The representative of The Standard Printing Company says he can deliver these in December. We have 962 now. You can get as many more as you want from Treasurer Weeks.

Mr. Weeks—When the delegates get home if they see they will want additional orders, they should get them in as soon as possible, because The Standard Printing Company likes to print as many as possible at once.

The Secretary—I have a few copies of the Baltimore convention here, and you can have them at one dollar a piece.

Mr. H. S. Dale—Where shall we send our orders?

President Ward—To Eli D. Weeks, Litchfield, Conn.

Mr. Dale—Not to the secretary?

President Ward—The secretaries of the local associations will order direct from him.

We have a paper to be read by Mr. C. M. Cartwright of Chicago, managing editor of the Western Underwriter, on "Some Outside Observations on the Training of Life Insurance Agents." You all know Mr. Cartwright of the Underwriter, or know of him. Now, I would suggest with your kind attention for one moment that you all pledge yourselves to yourselves and to me that you will be here promptly at 9:30 in the morning, when Mr. Cartwright's paper will be read.

Mr. Wyman—I move you that when we adjourn we adjourn for one session tomorrow, in order that we may all have that notice now and there may be no mistake.

The motion was carried and the convention adjourned until 9:30 a. m.

THIRD DAY'S PROCEEDINGS.

The fifth session of the convention was called to order Friday morning at 9:30 by President Ward who read the following telegram from Mr. J. A. Goulden:

NEW YORK, Oct., 14, 1904.

Hubert H. Ward, President, Claypool Hotel, Indianapolis:

Kind greetings to members of fifteenth annual convention National Life Underwriters' Association; best wishes and affectionate regards to all. J. A. GOULDEN.

Mr. Register—You may not be aware that Mr. Read, a delegate from Philadelphia, who made a speech on the first day, has been quite ill since then and under a doctor's care. He is now better and appreciates very much the interest which has been shown here. I think it would be a nice act to express a vote of sympathy and have a bouquet of flowers sent him.

Mr. E. S. Gordy—Mr. Philip Farley is confined to his room under similar circumstances. I would like to add his name. He has been unable to be with us at all and was thinking of going to a hospital this morning. He is an ex-president of this association.

Mr. Wyman—I second the motion.

The motion was carried.

Mr. Scott—I would like to say that unless they are personal friends of Mr. Farley and Mr. Read, members will confer a favor by not calling on either of them. Mr. Farley, whom I saw this morning, is suffering from inflammatory rheumatism, and Mr. Read is in a condition where he cannot bear much excitement.

President Ward—I think the best way to take care of this is to appoint a committee of one to wait upon each gentleman and extend the sympathies of the association.

Mr. Scott—If you will allow me to suggest the committee, I will suggest Mr. Register for Mr. Read, and Mr. Carroll for Mr. Farley.

President Ward—I was just about to appoint Mr. Register, and I am glad of your suggestion of Mr. Carroll for Mr. Farley. Those two gentlemen will kindly convey to these sick friends the sympathy of the convention, and also my personal sympathy. I had intended to call, but I shall not do so after Mr. Scott's suggestion. Whom

will you have, gentlemen, to take the place of Mr. Farley, to present the Williams vase?

Is there any new business to be presented to this convention? Mr. Cochran, has some one been chosen to take Mr. Farley's place?

Mr. Cochran—Mr. Bowles.

President Ward—Now, gentlemen, while we are waiting for the new arrivals it might not be out of place to consider the time and place of the next meeting, and if any delegates have any place they want to go to next year we can take up the matter.

Mr. Janney—Mr. President, Ladies and Gentlemen: I desire to express for myself and for the association by a rising vote of thanks our appreciation of the kindness, hospitality and generous interest taken in this association and on our behalf by the Indiana Association of Life Underwriters.

The motion was seconded and carried by a rising vote.

President Ward—We cannot receive invitations for the next meeting yet, as some of the gentlemen who have invitations cannot be found, and as this is somewhat out of the order we feel we should not go ahead with it. We will now take up the unfinished business of yesterday.

The last paper, and that paper representing one of the most important departments of life insurance is from a representative of the insurance press. Mr. C. M. Cartwright, managing editor of the Western Underwriter of Chicago, will present to us a paper on the subject: "Some Outside Observations on the Training of Life Insurance Agents." I am quite sure the manager of an insurance journal is qualified to give us some good suggestions along this line and it gives me pleasure to present to you this morning Mr. Cartwright of Chicago. [Applause.]

Mr. Cartwright—Mr. President, and Gentlemen: I hardly see the necessity of my making any remarks. I was much interested in reading the afternoon and morning papers and seeing that I have already said what I intended to say. Last night I received a telegram from some of my associates on the Chicago Tribune saying that they had draped the insurance department in mourning for three hours during the progress of my talk. So as the paper has already been presented, and as the obsequies have been held in Chicago, there is nothing

left to do but to exhume the remains, and I understand that in this state the life insurance companies have the authority to exhume the remains and have an autopsy, so that is what we are going to have this morning. [Laughter.]

When I was asked to present myself here before the convention I hardly saw the idea that the committee in charge of the program had in mind, for those who are acquainted with me personally know that my forte is not public speaking; but I presume that there are only two ways in which life insurance men can have revenge on newspaper men; one is to file a $10,000 libel suit, and I imagine that that is not very comforting, for we are all judgment-proof; and the second is to get one of the fraternity who is not a public speaker and force him to try and make some remarks.

Now, I presume also that the members of the committee are gentlemen of fine sensibilities and they appreciate the value of contrasts. They realize that the most beautiful rose carries with it its thorn and the brightest ray of sunshine casts somewhere its shadow and the most brilliant colors are set off better by a dark background, so my position before you is rather to act as a background in order to show off to better advantage the brilliant papers that we have had so far and the scintillation of genius that will come after I am through. I am not going to present a paper. I could not write one if I wanted to, and I know of only one thing that I dislike more than to have to write a paper and that would be to lose my leg in a saw mill. [Laughter.] I am therefore going to descend to the easier and more natural way for me and talk rather informally to you, and therefore I don't want to be regarded as reading a paper. I see on the program that I am assigned a paper, and that of course is for effect. You life insurance men want the country at large to feel that when you invite a gentleman here it means he has prepared a well written paper, but I don't want to sail under any false colors so far as

you are concerned, and I want to come rather in the category of those gentlemen who have spoken informally on the floor.

I have always thought that it was rather a strange thing for an outsider to attempt to tell life insurance men how they ought to run their business, and I feel somewhat in the position of a Chicago friend who went on a visit to Heaven, and when he got up there he found people rather surprised to see a gentleman from that section of the country arriving there, and naturally he was quite a curiosity, and he was being passed around among the celebrities of the celestial regions. He was equally surprised to find there were some persons there whom he thought would never arrive in the celestial country, and he was also surprised not to find persons whom he presumed had a passport right into the realms supernal. This gentleman was not a native of Chicago; he came from Johnstown, Pa., and removed to Chicago after the Johnstown flood. As he was presented to the dignitaries as the hero of the Johnstown flood, he noticed that whenever he was introduced there was a little dried-up, old, withered man with long hair and shaggy whiskers who would say, "Oh, the dickens!" He said something worse that that, but I am not going to teach you any more profanity [laughter]; and wherever he would go this little, old, withered man would follow him around and come out with his exclamations. Finally our Johnstown friend got very much annoyed when he was being introduced as the hero of the Johnstown flood, and he didn't think that Heaven was such a fine place after all, and he thought that probably he had better leave there. So he turned around to his venerable companion and said, "Now, I don't know who you are, I don't know what you have against me, but I don't see why you should ejaculate in this manner when I am introduced as the hero of the Johnstown flood." "Why," said he, "Don't you know who I am? You talk about the Johnstown flood! I am Noah." [Great laughter.]

Now, I feel somewhat as the Johnstown flood man talking to you life insurance men; but of course it is a privilege that is accorded everybody to tell the newspaper man how to run his business, and sometimes it is comforting to us to tell you how to run your business.

You have perhaps noticed in your acquaintance with newspaper men that they are divided into two classes, editors and newsgatherers. The editors are those who have the ability and training to ponder over information and put considerable thought on the subject of the hour, while the newsgatherers are largely sponges that go around and absorb information, and use the corkscrew wherever they can. Now, my training and education has been along the newsgathering line, and what I have written is finished when it has appeared in type, and yet the newsgatherer sometimes as he goes from official to official, general agent to general agent, from field executive to field executive, from solicitor to solicitor, sees really the strongest and the worst part in the agency system, and it may not be uninteresting to have some of these observations from the outside.

I imagine that a newsgatherer is something in the way of an artist. When an artist paints a portrait he does not really paint a face that he knows, but he takes a little beauty from one, a little from another, and so on, and then produces the ideal portrait. Now, I have not formed any ideal agency system. We had a very charming and delightful glimpse of the ideal agency yesterday from our astrological friend from Pittsburg, and I would therefore not attempt to paint the lily. I have been impressed with the number of men—the vast army of men who enter life insurance work in the way of solicitors and then pass out. They form a large body, the men who enter the business for a brief period and then probably write a few prospects and go out into other walks of life. I imagine that all vocations have to meet in a way this transitory character in the way of subordinates, but it seems to me that the life insurance profession more than any other is probably harmed by having this sort of pilgrims to deal with every year. Take the other departments of insurance, fire or casualty if you please, and I have noticed that when agents or solicitors enter these departments of insurance they usually stick. They enter it with the idea of making it their life work and they remain there, and I have noticed also that when any of these men leave to take up other work that more often they return, they like to come back to their old work where they have been trained and educated. It seems to

me that one of the vital problems of the agency question of the country today is how to make the life insurance agency system more permanent and to get rid of these insurance wayfarers as far as possible.

There are two great sources from which you get agents. One is from other companies, and the other is from other walks of life. I think it has been generally demonstrated that as a rule men from other companies do not make satisfactory agents for you. They have been trained long in the arguments and the school of one company and if they were not profitable to the company with which they were engaged they cannot be profitable to the one who seeks them, and if a general agent has a good man and he is reasonably satisfied with his income, he is going to keep that man and give him the highest compensation possible. I seems to me that about every man earns just according to his work and when we have this bidding for service it simply leads to excess commissions. The cost of life insurance, like the cost of anything else, can be pretty readily estimated, and when a man is paid more than he is worth he is going to become a wayfarer. There is nothing can stop it. Then again, a man who has become educated with one company in going into another company has to learn its arguments, and there are very few men after all who are chamelions. They cannot adjust themselves readily to other lines, and in talking with field men I have come to the conclusion that as a general rule agents gotten from other companies are not the most satisfactory.

Then the other source, from other callings. The usual method of procedure is for general agents to see men whom they find are successful in other lines of business, men who desire to enlarge their field of endeavor and see in life insurance a vocation which they can enter and probably use some initiative and be paid more according to their ability. Some general agents I think make the mistake, in seeking men from other vocations, in not thoroughly becoming convinced that these men are competent to enter the life insurance business—that is whether or not they possess the necessary attributes to make them successful solicitors—and I have met in my experience very many men who have been taken from other walks of life and who have gone in with fairly good

intentions and have written their friends and passed out again into the night. And it seems to me that the general agents do a great injustice to take men—especially from salaried positions, who are getting a reasonable income—without being firmly convinced that those men will make a success, and if they do take those men to have it firmly impressed upon them that they are not entering the work for an experiment, that they are not entering it for a day but for life. It is a great thing to have a man in a good frame of mind when he enters the work. I presume that a general agent as a usual rule hopes to hold one man out of every ten that he gets. That is, make him a good agent; and one of the problems the general agent has in securing these men from other vocations is to teach them how to be their own boss. They have been for the past period in salaried positions. They have had their work laid out for them. Every minute of the day has been occupied. They know exactly what they are going to do, and they are accustomed all the time to look to superiors, to being guided and directed in their work. They come into the life insurance field, which is an atmosphere of entirely different complexion, and without much training they are told to go out and work. Now, they have not been trained at all to know how to utilize their moments. They have never been trained how to be their own boss, and they are put into the field in a sort of haphazard style. They probably entered their work to make it their life work, and they have been trained in it since they were young men. They know exactly what they have to do. Now then, they are changed over into an entirely different position, and it seems to me that while some men taken over in this way have succeeded that it is certainly a grand tribute to human brains and skill and courage that they have succeeded. These men have learned the alphabet and the primer and the first and second readers of their business, and after that they have to go back and learn the primer of life insurance and the alphabet of life insurance. Then again, the life insurance profession unfortunately becomes the refuge for men who are out of employment or men who want to make experiments, to use the calling as a stepping stone to something else, or take it up until they can find something better.

Then we have others who are experimenting with different professions, and I think you can see, therefore, why the life insurance business gathers together each year so many men who are simply transient and who pass on into the night, and the question has been for me whether the agency system and whether the great class of solicitors cannot be made more staple, and whether the army of agents who enter the business every year cannot be made more permanent. I suppose the composition of several general agencies changes every two years. You see an entirely new set of faces. My observation has shown me that there is a new day dawning, and it seems to me that the life insurance work and the getting of agents must be carried on in the same way as all lines of endeavors. We must induce young men when they enter the business, when they come into life insurance work, to enter it as they do other professions, and they must come in and shut their eyes to all other businesses, must enter the work to make it a life work, to not come in as an experiment, to not come in for a year or so to see if they shall succeed, but to make up their minds when they come out of college to go into business, to come into life insurance to stay. A man's business habits and his principles are formed during the earlier periods of his life. He is being educated in various lines while he is a young man. He is learning his trade. He lives at home. A young man just out of college and entering work is satisfied to receive a small compensation until he learns the work. That is the way he learns other professions, and he must come into life insurance with the same zeal and the same idea as his associates go into law or medicine or other professional life. The men that you get from other lines of business are usually men who have been trained in that business, and they possibly are men of family. It is necessary for them in learning the rudiments of life insurance, in being trained in the business, to have sufficient compensation to maintain their families and to meet their expenses. This would not be the case if you took young men and trained them up gradually. Almost every young man when he enters business is satisfied to learn his trade, and during the time that he learns the trade he feels that he is not as valuable to his employer as he will be later on, and,

therefore, he is satisfied to receive a sufficient compensation to meet his expenses. Then these men you get from other lines of business have the burden of their families on them and it is harder for them to learn the business, because they are entering an entirely new field. I think every general agent should have in his office two or three bright boys who are trained from the ground floor up in the life insurance business. I find in my own modest business that it is well to always keep two boys in training all the time. I find that by educating them along the lines that we desire them to work, they make better solicitors, and they learn the business right from the bottom, and I think that every general agent has enough work around his office in the way of office work to train a boy or two and keep before them the idea that they are some day going to be life insurance agents, and let them go out into the work just as soon as possible in a small way.

Suppose now then that we had this agency systemmore permanent, the idea that young men are entering business from college or from school, it seems to me that every general agent should have in his own mind the essential characteristics for life insurance salesmen. He should realize what attributes are needed to differentiate life insurance salesmen from any other salesmen, should have this perfectly clear in his own mind, and then he should study his men individually and find out whether they possess those characteristics. Many men possess them and they need to be drawn out and it is the mission of the general agent to take each man and find his characteristics and to draw out these essential features that will make him a successful life insurance agent. I think the tall sycamore of the Mill Creek Valley, Mr. Dolph [laughter], brought out a very important point, and that is that life insurance agents need to be trained along the same lines as are used in other businesses, that you cannot make a life insurance man in a day or a week and that he should not be put out into the business or be asked to solicit until the general agent is thoroughly confident that he can reflect credit on his office. You cannot expect a man to do as much business or accomplish as much when he first goes out, and this training will have to be gradual. The inspiration comes to a man from the fact

that he realizes that he is being aided all along and that he is being developed. The inspiration comes to the general agent from the knowledge that he is helping the man. Here is this matter of inspiration that is going on all the time, and I think that the failure of men who try to be general agents and do not succeed is due to the fact that they are not able to draw out these necessary characteristics from men or that they fail in not imparting the essential features that they possess to their men.

We are hearing a great deal today of education, and I believe thoroughly in education. An educated man need not be a dreamer or a theorist, at the same time I think it is a mistake to give allopathic doses of education to new men who are entering your business. They are apt to become bewildered, and they lose sight of those essential characteristics that will make them successful solicitors. Education is not of much value unless it adds to a man's culture or assists him in making a greater success of his work and some of us have come to look upon education as the gathering of facts that we can put into a knapsack and strap on our back and lay aside whenever we want to. I remember in my own experience after I left college and decided to enter newspaper work, I went to a so-called school of journalism and learned all about the newspaper business. When I came out I thought I was certainly capable of managing a metropolitan daily paper, but I went into a newspaper office as an humble reporter at a small salary. I had to learn the town. I was not allowed to write anything for a month or so. I came in contact with the men in the office and learned as much as I could from them, and I was given articles to try to write and all this, that, and the other, and had a thorough training in the office, and my first real assignment came when I was sent to report an injury that happened to some people from a chimney falling down on one of the office buildings in Chicago. Well, I tried to use as far as possible the knowledge that I had gained in this journalistic school, and I came back to the office and I think I produced an article that sounded much like an eruption of Vesuvius, and the next day I looked in my paper for my article and I didn't find anything at all. I found that somebody else had written it up. The next

assignment I had was to go to interview Theodore Thomas on the death of the famous Russian pianist Rubinstein. I called at Mr. Thomas' home and again with him I used the knowledge I had gained from this journalistic school of how to interview, and I talked to Mr. Thomas for a long time, but I failed to impart the information that Rubinstein was dead, and Mr. Thomas therefore felt a good deal of hesitancy about criticising a living artist. [Laughter.]

Now, it seems to me that in gathering education a man perhaps loses sight of really essential factors that are necessary to success in soliciting. Education is a good thing if it is used in the right way, and a man can round himself out by different methods of education that are now pursued. It seems to me that a young solicitor can gain more from the inspiration of his office and the school of experience, and being in contact with his general agent.

I do believe in agency schools, even if there is only one student. I think that every general agent should have a school and I think this is essentially true in country agents. The reason so many country agents fail is the lack of preliminary training, and the fact that they are so far removed from the home office or a general agency. I was born and brought up and raised in a small town and I saw a good deal of the two or three life insurance agents that were in my town of about 1,500 people, and I know how discouraged those men were. The superintendent of agents or somebody would call in the town and stay maybe a couple of days with those men, give them a rate book, and they blossomed out as life insurance agents. It would take them months to prepare to enter any other business, but in this great business of yours they are supposed to know all about it in two days. And even this superintendent of agents found that he had to meet the problems after the field executive had gone, and I think the general agents would find it possible in training country agents to have them come in for two or three months' work under their direction. I think the most successful general agents are beginning to believe in civil service in agency work. If there is a vacancy at Terre Haute a man from your own company in some general agency should be promoted to

this position. That is only the plan that is being followed in all the other great businesses that the young men have this ambition placed before them, this feeling that there is something ahead. I know the general agents object, because they feel they are apt to lose some of their best men, but it seems to me that the inspiration of the other men in the agency, or the fact that you can lay before new men coming in the idea that there is something ahead, that they don't have to be solicitors all their lives, that sometime they are going to be general agents if there is a vacancy somewhere, will compensate for that.

Gentlemen, it seems to me that all general agents owe something to the public. Life insurance is a semi-public business, and it seems to me that the general agent who foists a low-grade solicitor on the public deserves no consideration. I know some agents who have a corps of agents any of whom I would be proud to have as personal friends and introduce to my family. We don't expect a hod carrier to preside over an alumni association, nor do we expect a blacksmith to give a piano recital. At the same time in your business there are some companies which have life insurance salesmen who should be selling shoe strings. I just want to recite a little experience that I had a few months ago. I had been accustomed for some time to go to a tonsorial artist in Chicago who had gathered around him a good many customers, and a few months ago, after he had given me a hair cut and a shave and a shampoo and a hair tonic, and had told me the autobiography of James Jeffries and a tip on the Harlem races and the outcome of the American Baseball League, he told me he thought of going into another line of business. He confided this to me knowing I was interested in the life insurance business from a life insurance standpoint, and he told me he was going into it, and he told me he had a number of very wealthy customers (of which I was not one), and he thought he could go to these men and sell them life insurance. I went down there shortly after and didn't see the man; asked the proprietor of the shop where this man was, and he said he had talked life insurance to his customers so much that he had to discharge him, and now he had gone into the business, making that his sole occupation.

I went back in two weeks and found him there again, and he said he found he couldn't make a success, that he went to his various customers who had been in the habit of going to him to have tonsorial work done, and when he met them in their offices they were not so cordial as they had been in the barber's chair. [Laughter.] It seems to me there was a very good lesson; that these men were willing to give this barber their work, and they had confidence in him in his specialty, but they were not willing to be solicited by that sort of a man in their offices. Now, I am as democratic as anybody, and I take off my hat to every honest man; at the same time, when a solicitor approaches me on life insurance, I want to have a man who knows his business, who has the instincts of a gentleman, who knows how, when and where to present his proposition, and it seems to me that business men only require that of the general agents of life insurance. They all appreciate the benefits of life insurance and they want to have business propositions presented to them, but they do want to have men come to their offices or their homes or their clubs, or wherever they are solicited, who are equal to them in intelligence and in the niceties and refinements of life, and I think that the general agent who employs a man who does not possess the instincts that he should possess in presenting a business proposition deserves but little consideration.

About two weeks ago there came into my office a life insurance solicitor who told me he was working on one of the merchant princes in Chicago. He had seen in some paper that one of the owners of a department store had purchased a life insurance policy, and he went after him. He told me he had been to see him four times and that the private secretary had tried to stave him off and one thing and another, but that his general agent had been urging persistence on him, and he was going to stick to that until he saw that man. I asked him if his general agent knew that he was soliciting this man, and he said he did not. This solicitor was a man of good intentions, but very crude and rather ignorant; and he could solicit this merchant prince for a hundred years and never get his application. The general agent, it seems to me, had failed in not directing this man along proper lines. Now, this man was a very good solicitor

in approaching men of his own calibre, or those of less intelligence, but he was making a mistake and he was failing in attempting to reach these high-class business men. A business man wants to be approached by a man of his own kind, and if general agents have solicitors in their employ who have not the refinements or the urbanities of life, it seems to me that they should direct those men along proper lines in soliciting, and inform them what class of people to approach. That could be done in a very nice way without any offense. It seems to me that one of the great objects in this association is simply to drive out this low-grade class of solicitors and to bring into the ranks men who intend to make this a life business. "Life insurance for a life work" should be the motto for every general agent in employing men.

Every man in the business is leaving his mark. It may not be a very great one, but every general agent and every man in the business can certainly do what little he may have to do well, and it seems to me that the life insurance business is growing all the time and with this country of ours just opening in its possibilities and its tremendous resources just being developed, life insurance is bound to become one of the greatest institutions of the country. And it seems to me along with this business there should grow up with it men who carry with them the same dignity and prominence as men engaged in medicine or law or any of the other professions or activities of life. You life insurance men are facing the future, not the past.

Mr. Baker—Mr. Chairman, the association appreciates the most excellent address of Mr. Cartwright. We know him intimately in Chicago and appreciate him, and I move you, sir, a rising vote of thanks be extended to Mr. Cartwright.

The motion was seconded and carried.

Mr. N. Peck—Mr. Chairman, this afternoon at 3:30 the street cars will leave from the ladies' entrance of the hotel and we will take a ride for about two hours.

President Ward—We will now receive invitations for the next convention. The time and place of the next meeting.

Mr. J. S. Kendrick of St. Louis—On behalf of the Life Underwriters' Association of St. Louis I would ask the

National Association to hold its next meeting at St. Louis. This is a National Association, and if all I have heard here is true it is educational in character and is largely a missionary association. I understand you wish to extend your field of operation, and the West and the Southwest need the help that would be gained from holding a meeting in their locality. You can best meet these people by coming among them. I will not take your time by making a picture of St. Louis and its hospitality. If you have not been there this fall it is your own fault.

They say on the pike you will have to hurry if you are going there. A gentleman remarked to me that this association had met in two cities of this country where the local associations had broken up as a result. St. Louis will never go broke. I have lived there some time. I have lived through three panics there, and St. Louis has always come out at the head of the list. They are not going broke because of the Fair. I want to say to you that the meeting of this association at St. Louis cannot break St. Louis. You need not be afraid of that. We are proud of the fact that we have a vice-president from St. Louis and think you ought to help him out by holding a meeting there.

Mr. Weeks—I rise for the purpose of asking this association to hold the next meeting at the city of Hartford. We of the state of Connecticut do not pretend to be a large state; that is to say, we are not large in quantity but we are large in quality. The interests of the insurance business every one knows are largely represented in the city of Hartford. We are proud of the history of the state of Connecticut. We happen to be the first state that adopted a constitution. The constitution which was the pattern of other constitutions of others states, and even the constitution of the United States, was taken from the original constitution of the state of Connecticut. Another thing in the history of the state of Connecticut—we were the first state, and I am happy to say my

native town was the first town, to establish a law school. The first law school that was ever established was established in the state of Connecticut and in the town of Litchfield, and from that school have eminated a large quantity of business men, statesmen, members of Congress and senators, and no town in the United States today has produced so many prominent men as that school.

Now, gentlemen, the convention has been held in Boston, New York and Philadelphia and they have skipped us on every side and we come to you at this time asking you to hold the next convention in the city of Hartford. [Applause.]

Mr. Carroll—Mr. President and Gentlemen of the Convention: I have been delegated to invite the convention to meet in Los Angeles I am authorized to say to you that there is nothing pleasanter under the sun than what we will give you if you will come out there; a bath in the Pacific ocean, a sail on the river, plenty of oranges to eat, plenty of wine to drink. We will also give you a one and a third fare, and we feel if you have never seen our part of the country it would be well for you to come out. [Great laughter.] Uncle Eli's state was the first one to adopt a constitution. Ours was the last, and we are entitled to more consideration than one that has been in existence for so many years. Gentlemen, it is up to you. [Laughter.]

Mr. R. A. Clark—I rise to second the motion of Mr. Weeks inviting the convention to Hartford, Conn., next year. It seems to me, gentlemen, this is the least thing we can do to express our appreciation of ten long years of faithful and honest service to this association and handling the association's money. How many men do you know at the age of seventy-four who would start at this time of life and travel one thousand miles towards the setting sun at their own expense without any other recompense than to mingle with their fellowmen and to further the interests of a cause in which we are all interested? This particular occasion, this particular place makes me reminiscent. I recall the experience away back in 1896 at Washington, when big Mr. Shideler came over from Indianapolis and invited the convention to meet in his home city. And when I say "big," I speak advisedly, for he weighed three hundred and fifty

pounds, and he spoke with all the energy and magnetism that his size would engender. He told us about the beautiful prairies, about the beautiful city with its beautiful streets and buildings, about its being the home of presidents and vice-presidents, of brilliant business men and beautiful women, and we all listened to his remarks and appreciated his jokes—and took the convention somewhere else. Next year he came to Milwaukee and did the same thing, and the next year at Minneapolis and the next year at Buffalo where we all listened, heard his petition—and went somewhere else. And now after all these years the convention has dragged itself to Indianapolis as if to mock the memory of Mr. Shideler. He died without his request being granted. Gentlemen, let's not reward Uncle Eli D. Weeks in that way. Let us break a new box of alabaster over his head today and let us hang our wreaths over him today instead of sending a committee to Hartford to place them on his coffin. [Great applause.]

Mr. Wyman—Mr. President, I rise to second the invitation of St. Louis. I think that we all love and revere our good old friend Uncle Eli. As a tribute of respect I would personally go anywhere for him, but it seems to me the question of meeting of the National Association is a question of business. St. Louis is practically in the center of this country. If we mean anything when we pass resolutions as to the promotion of the work of this National Association, we mean that we intend to push the work on and develop other associations in fields where they do not enjoy the privileges of this association work. I believe that if we go to St. Louis (and I speak advisedly, for it has been my privilege to visit those people three times and to call on every general agent in St. Louis, to sit down with him and labor with him and persuade or urge him to join the association) I believe that if we go to St. Louis we will do for that great city, which has a weak association and needs a strong association, lasting good for this national body. I would like to go East, I love the East. I was born there. And the coming year if I live I will go there again. But this is a question, gentlemen, of business, and I believe that it would be the best business for us to go to St. Louis. There we will be in easy touch with Kansas City,

Los Angeles, Denver, Omaha, St. Paul, Minneapolis, Milwaukee, Arkansas, all those associations in the Southwest and West and Northwest. With all due respect for our good friend from the East, I second the invitation to St. Louis. [Applause.]

Mr. Bowles—It is most gratifying to hear these earnest appeals on behalf of certain locations with the hospitality and enthusiasm on the part of the respective gentlemen who represent those sections to invite the association to meet with them the coming year. I say it is gratifying that we have at least two invitations, one from the East and one from the great Middle West, and I am more than pleased to hear the earnest arguments in support of each of these localities, Hartford for the East and St. Louis for the West, and Los Angeles for the extreme West. I am sure those of us who have been in the harness a number of years would be glad to accept the invitation of our good old friend Uncle Eli to go to Hartford. There is rather a feeling, I think, on the part of western people that they like to go East whenever an opportunity affords. As some one said, he didn't care to live in New York because then he couldn't have the pleasure of going there as he did. So in many ways I think the trend of feeling is toward holding these meetings in the East, where there are very many more associations in the first place than there are in the West or any other part of the country, and where most of the delegates who would be appointed from time to time have business with their home offices, and therefore could make it convenient to look after some other interests than those of the National Association. But as the gentleman from Chicago has stated, and I think wisely, the first consideration we want to consider is the value to the association. Now, inasmuch as we have had an invitation from the far West—California, and I believe a tentative one from Denver—I think it would be a compromise, so to speak, to meet in St. Louis; that it would give an opportunity to the far western people to visit the West, passing over a little more than half of the continent. On the other hand the southwestern associations would more readily meet in St. Louis than they would in the far East, so, on the whole, I am led to believe that it would be for the interests of this association to accept the invitation to go

to St. Louis, and I am more than pleased to second and support that invitation as offered by the gentleman from St. Louis. [Applause.]

Mr. Sanborn—I rise to second the invitation of Mr. Weeks. Year after year this association has been like a pendulum, swinging from the East to the West, this year West, next year East, the president usually chosen from the other extreme of the country from where the meeting is. This year the West has its new president, the East asks for the convention. We have all been to St. Louis this year. Some of us got broke going there, we had to telegraph home for more funds. We had to anticipate our renewal interest to get outside of the grounds. We were delighted when we were there. We saw St. Louis hospitality in a great many ways, not only on the pike, but outside the pike, and our memories of St. Louis are so clear that we do not need another vision so quickly as next year, it seems to me. It is out of the question, of course, to go to Los Angeles. I know well the charm of the Catalina Islands and all that, but we can't go out to the land of orange blossoms next year. Nor, it seems to me, is Denver any better. But here comes old Hartford calling for us, the center of insurance interests for so many years. Hartford comes and asks for the convention. Is it not wise for us to follow the past custom of this national body and swing eastward during the next year? Not go to St. Louis, because all the world has made a beaten track to its Fair this year. And there is another reason that Mr. Clark has so very eloquently spoken of, and that is to gratify the desire of that man who for five hundred and twenty-five weeks has been a faithful Weeks in the interest of this association. [Great applause.] We may say of him, as one of us has said of a man who stood resplendent in American history, "Age may o'er his brow her mantle fling, but his heart is ever young." Let's remember Uncle Eli. [Applause.]

Mr. Janney—I think this body of gentlemen is laboring under a misapprehension. Our friend is not an old man, and he is going to cheer our hearts for many long years by his presence here and by his loyal service to the cause represented here. He failed to mention one or two of the attractions or rather the historical memories of Hartford. In addition to its undeniably great insur-

ance interests, it is also said to be the home of the wooden nutmeg [laughter], and it is even reported that the horses are fed upon shoe pegs sharpened at both ends to represent oats. [Laughter.] This, however, may be slander. Connecticut, Hartford, the whole East is great and we will be glad to go back there. But, gentlemen, I believe this is a business proposition. We will go anywhere, as Mr. Wyman has said, to honor the man whom we have learned to love. I deprecate the intimation that we might any time in the near future have to send any flowers to the East or elsewhere to decorate his bier. He is a young man, and he is going to be with us long, we hope, but we have been talking a great deal about the organization of the West and Southwest during this convention along the lines that we have seen here represented, and which in the meetings of this convention have shown interest that has been wonderfully gratifying to us. The East is measurably well organized. St. Louis has had its ups and downs as a place where a local association has tried to thrive, and I believe that we will be doing a wise thing along the line of stimulation of interest, which this body is committed to, if we go to St. Louis, and it is with pleasure that I raise my voice in seconding the invitation of St. Louis to hold the meeting of the National Association there next year.

Mr. Merrill—I rise to second the suggestion of our honored friend, Mr. Weeks of Connecticut. St. Louis, as we all know, has been honored by guests from all parts of this country this year, and in fact from all parts of the world. They have had their World's Fair, they have called together conventions from every body that is known in this country, and they have had their international conventions, and I think they need a rest another year. And they would be just as well satisfied to see us go, and as we have met in the West this year I think every delegate who is appointed for the next convention will be pleased to go to Hartford, where hospitality has never been found wanting. And there is another advantage in going to Connecticut. Three-quarters of the interests represented here come from the East. The gentlemen who attend the convention can visit the home office and save one trip, and I don't believe there is any other place where they would enjoy themselves so much

as they would in old Connecticut, in the beautiful city of Hartford. [Applause.]

The President—There are no other invitations. We will proceed to ballot.

Mr. Weeks—Mr. Chairman, while I have a great respect and the greatest honor for my friend Wyman of Chicago, and have always appreciated him in the highest degree, I do not want this convention to think that I am selfish in this matter at all. It is not merely on personal grounds that I ask this favor but I want to ask the gentlemen of this convention, where in years gone by have we built up the association work most? By holding our conventions where the greatest number of associations were gathered, not by experimenting somewhere else. There seems to be a disposition on the part of certain ones to experiment, to go somewhere else, where there is virtually no local association, and experiment in that way and try to bring them in, trying to create an influence for the local associations. I don't think, gentlemen, that you will do it in that way. The only way that you can organize local associations is by having a man go there and letting them see the interest of the work and their own interests. If you hold one convention, what is the result? Look at Minneapolis. There we went far west and held a convention, and we had a fine time. After the convention was over the thing was dead. Where has Minneapolis been since? We have hardly seen a delegate to the convention since that time. They have taken no interest in it whatever. Now take our associations in Philadelphia, Boston, New York. As a rule they have turned out en masse and supported this association.

Mr. Wyman—Just one word—

Cries of "Question."

Mr. Wyman—I did not wish to intimate that Uncle Eli plead for it on personal grounds. We all know he is unselfish in everything. The invitation was based on his judgment that it was the best place to go. But when the gentleman who seconded the appeal made it on personal grounds, in order that we might not be misunderstood, I made the statement I did.

President Ward—According to our constitution, when the ballot is called for, it is our custom to vote by associations. The secretary will call the roll of associations.

The roll was then called and the following was the vote:

Hartford—Baltimore, Cincinnati, Connecticut, Delaware, Erie, Maine, Central Massachusetts, Western Massachusetts, New Jersey, New York, Philadelphia, Pittsburg—12.

St. Louis—Chicago, Cleveland, Dayton, Grand Rapids, Iowa, Kansas City, Michigan, Central New York, Peoria, St. Louis, Toledo—11.

Not voting—Boston, Columbus, Georgia, Hudson Valley, Louisville, Indiana, Minneapolis, Nebraska, New Hampshire, North Carolina, Providence.

The announcement of the result was received with great applause, and on motion of Mr. Wyman the vote was made unanimous.

Mr. Weeks—Gentlemen of the Convention: I don't know that I have anything further to say. I expressed my thoughts before the vote was taken. I certainly congratulate you on the vote as you have expressed yourselves, and I want to assure you that in this matter I have no personal interest whatever. My idea, in taking the convention to Hartford, is that honestly in my own mind I think it would be a benefit to the association at large. I think it will be a benefit to the insurance business, and that after the convention is over every delegate to it will go back home and use his influence with the insurance fraternity of those sections and try to organize local associations as we have organized them in the East, and if they will work them up we will go there and feel perfectly happy in holding a convention in the middle and far West. But as the matter stands today it is poor judgment to go into those sections and hold our national meetings where there is no enthusiasm for convention work. Our last president used some effort to accomplish something. Now let that work go on either through our vice-presidents or some one that we may appoint, as suggested the other day. [Applause.]

Mr. Scott—I move you, sir, that the time of holding the next annual convention be in September, the date to be fixed by the executive committee.

Mr. Herrick—I want to explain on behalf of St. Louis

something which many of these gentlemen may not understand. Two years ago at Cincinnati I took occasion to suggest to the National Association that we hoped

to be able to come into the convention in 1903 and invite the National Association to St. Louis, which has certainly been the convention city this year, over three hundred having been held there. However, when we canvassed the situation in 1903 we concluded that we would be doing the National Association a kindness if we kept them away from St. Louis during 1904, for just at this particular time the town is so crowded and the hotels are so full that it has been uncomfortable to be there, and would have been so for this association to have held its convention in St. Louis. This year we asked you because we thought it would be for the interest of the association to come there, but as you have decided to go to Hartford, perhaps you will come to St. Louis the next year.

President Ward—The motion is made by Mr. Scott and seconded that the convention be held in September, the time to be set by the executive committee.

The motion was carried.

President Ward—We will now proceed to the next matter on the programme, and I wish to state in explanation to those who have come in late that we found it necessary to change the programme somewhat today owing to the fact that when we had reached the point where we now are the speakers were not in the room. We now will hear the announcement of the successful prize essayists, and Chairman Carroll will read the report.

Mr. Carroll then read the following:

Charles E. Ady, Esq., OCTOBER 3, 1904.
Chairman Prize Essays Committee,
National Association of Life Underwriters,
Paxton Block, Omaha, Neb.

DEAR SIR:

The judges of prize essays beg leave to report as follows: The marking of the judges results in giving to number 10,325 a rating of 96⅔ and

number 4,126 a rating of 96; awarding, therefore, first prize to number 10,325 and second prize to number 4,126.

Numbers 93 and 37 also deserve special mention for excellence in the opinion of the judges.

In awarding the prizes the following considerations were observed, viz: The contents of the essay, its arrangement, its style. While the committee gave some attention to the question of correctness of the questions expressed it did not in all cases condemn because an essay in some places expressed views that were unsound. In the matter of arrangement, preference was given to essays which were logical over those which exhibited singularities in this regard. In the matter of style the preference was given to a plain, direct, simple, forcible style.

The essays submitted were, on the whole, of a high order of merit and very creditable to their authors.

MILES M. DAWSON,
G. M. HITCHCOCK,
FRANK H. GAINES.

Mr. Carroll—Mr. J. H. Jefferies of Philadelphia is the winner of the Calef cup and Mr. Jacob A. Jackson is the second best, and therefore the winner of the Williams vase. No. 93 is Mr. J. J. Devney but the judges did not send me the name of 37. Therefore, Mr. J. J. Devney is entitled to honorable mention, although he does not get any prize, as is also the writer of No. 37.

President Ward—Owing to the illness of Mr. Farley, ex-President Bowles will take his place in presenting the Williams vase. Will Mr. J. H. Jefferies and Mr. Jacob A. Jackson, Maj. F. A. Kendall and ex-President Bowles please come to the platform.

The gentlemen named then took seats on the platform.

President Ward— Gentlemen, there used to be a Kendall, F. A. Kendall, who attended all our conventions and whom you all knew. This gentleman has gone up a scale on the ladder since then, and he is now rated on the United States army register as Maj. F. A. Kendall. I take pleasure in introducing him to you? [Applause.] I also present to you Mr. Jefferies of Phildadelphia, the winner of the Calef cup.

Maj. Kendall—Through the courtesy of the executive committee of this association, the pleasant duty has been assigned to me to present to you on its behalf, as the winner of the prize for the best essay on the subject offered for competition in 1904, this beautiful loving cup,

bequeathed to this body by Maj. Ben Calef, a gallant soldier in the great Civil War, and one of the founders, and a president of this association. Maj. Calef, when he presented this cup to be bestowed upon him who should be awarded the first prize in these annual competitions for the best production on the subjects presented for discussion, "built wiser than he knew," or rather wiser than we knew, for this yearly contest, with its attendant ceremonies, has been and will probably continue to be one of the most interesting events connected with our annual convention. This cup has become not only one of the strong cords which bind this association together, but it has served to maintain our interest in it. Its influence does not end here, and it has become a veritable cup of blessing to this association, as it has been borne away as a trophy to be held in the possession of the bodies which compose it, now to the East, and now to the West, wherever the honor man has dwelt. This cup has not only stirred the ambition of our best men to win it, but it has brought out the best thoughts and the richest suggestions of the bright minds of those who have engaged in these competitions upon those subjects most practicable and valuable to our work. These have not only been instructive but inspiring to us, who have had the pleasure of listening to them year by year, and their influence has spread through the press, and has been thus carried to all those who are engaged in our profession.

It is a matter of the highest gratification to know that no taint or suspicion has ever attended the awarding of this cup, for the fairest play has entered into the means of determining the winner. The committees of award have always been wisely and carefully selected, and have been men of good judgment, of high intelligence, as well as experts in our work, thus being fully competent to judge, not only of the excellency of the composition, but the practical value of the subject matter. The

more honor, therefore, should be accorded to you for having this award given to you in this manner where only the merit of your essay could speak to those judges from its lines. Greater honor is yours also than if won in the public arena amid the cheers of admiring friends, and the acclaim of the multitude to inspire and enthuse you to put forth your supremest efforts; for this has been wrought in the quiet and silence of your room with only the inspiration and encouragement of your own thoughts to stimulate. Under these circumstances the possession of this cup for the coming year is more to be prized than its material value were it melted and coined, and given to you as a reward in a less laudable contest.

Rewards for heroic deeds, and the highest intellectual effort have been a feature of our civilization for centuries. In competition of a lower order, on the race track, or in the prize ring, a share of the gate receipts are demanded, and money consideration. But as the competitions have risen in character, in just such proportion have the rewards for the honor earned, become more simple. The simple laurel wreath was the highest expression of recognition that could be granted in the old Olympian games, and was most highly prized. For heroic deeds in the field of arms, the iron cross has ever been regarded as the greatest recognition and most valued in that it commemorated more brilliant and valuable service. The literateur, the artist, the scientist and men of research, whose discoveries have made for the benefit of their fellow men, has had its highest reward in the simple bronze medal or the simple ribbon granted by societies of the highest order, indicating and signifying for what service it was awarded. Thus it appears that material gifts are not the highest rewards that can be given for the best service to the human race; but that emblem, whatever it may be, which designates the victor, and signifies for what it was granted, stands as the highest expression of appreciation and recognition by one's fellow men and is most highly treasured.

While this emblem is to be held by you, which is a token of your victory, for only a year, or until some rival may lift the cup, yet the honor of such holding is worth far more than the material value of it. This day's proceeding is a landmark in your life's record. It marks

you a man of repute and ability among the members of the National Association, as well as among your friends and fellow associates.

We congratulate you on your well-deserved success, and join with you in the pride with which you shall bear this cup to your home and your association. May its possession serve to mark a new era in your local association, and may its presence around their festal board be a pledge of renewed feality and enthusiasm for the prosecution of the laudable purpose for which it was organized. [Applause.]

Mr. Jefferies—Maj. Kendall, Mr. President and Gentlemen of the Association: It may have been necessary to have formally notified me on this occasion and to have presented the cup in this way, but inasmuch as I had received notice from your secretary some ten days ago, I feel very much as President Roosevelt must have felt when the formal notice of the nomination was presented to him. And it reminds me of the headlines of the Atchison Daily Globe to the effect that it may have been news to President Roosevelt but that Kermit and Archie knew all about it. Now my wife and little ones at home knew several months ago that I was going to win that cup. I didn't. I felt very positive that I was not. But they said and are good enough to think that what I do is all right. Now I was greatly surprised, greatly embarrassed on receiving the notice of the secretary, because what the major has said concerning the burning of the midnight oil was literally true. The work which I did was hard work and it seems to me that nothing however good or pure it may be can be accomplished except as the result of hard and honest work.

I would like to have known Ben Calef. I would like to have known such a man as this act of his proclaims him to have been. It showed him to be a man having the interests of his fellow men at heart. It was an unselfish thing for him to have done, and however meritorious the work which he promoted in the efforts of those who annually contest for this prize may be, yet the fact that he encouraged this act of contest to go on from year to year was an excellent and praiseworthy thing and proclaimed him to be a man of manly instincts, having the interest of his fellows at heart.

It was fitting also that his action should take the form that it did. The idea of the loving cup is as old as the silversmith's art. It is a tangible emblem, but yet surrounding it, there seems to me, there are always those intangible sentiments none the less enduring because they take no real form, but it seems to me all the more encouraging because they are things of sentiment, and those things which are often left unexpressed but which we feel most deeply. I have been wonderfully impressed with the enthusiasm, with the beneficial effects of this convention and as I sat in the rear of the room this morning, the thought came to my mind of the scene which was told about in Prescott Williams' History of Mexico. Those of you who have read the work will recall his explanation of how the astronomers and astrologers of Old Mexico had the most wonderfully complete system of computing time. They divided the year into months, but they found it necessary, as we in our later civilization have found it necessary, to make up a certain period of lost days every few years.

They had a week at the end of a fifty-year period, and it was their superstition that as the end of this cycle of time arrived the world was coming to an end, and as the people gathered on the great plain near the City of Mexico it was with sorrow and gloom and with dismal forebodings of the dreadful things which they feared might happen, and the priests at the temples performed their ceremonies, and presently dry sticks were rubbed together. All the fires of the country had been allowed to go out. Everything was dark, everything was dismal, but the priests rubbed the dry sticks together, and presently a new fire came into the land, and so the people went from that scene of dismal foreboding and gloom carrying new fire into every village, into every hamlet, into the remotest corner of the land of Mexico. And so it seems to me, gentlemen, that in whatever spirit we may have come to this place of convention, however we may have feared that it is worthless or hardly worth our time to come here, however thoughtless we may have been as to the benefits of the National Association, it seems to me that we have received a spirit of new fire which we can carry throughout this land. Go back to our homes with the good things that we have learned

here, infused with zeal for the work, our visit here will have been beneficial and a new period will have set in in the life insurance business. [Applause.]

President Ward—Ex-President Bowles of Detroit has been selected to present the Williams vase. Mr. J. A. Jackson of New York, as you have heard, has won this vase. I present to you Mr. Bowles and Mr. Jackson.

Mr. Bowles—I am sure that it is a matter of deep regret to all of us on this occasion that Mr. Farley is not here to present the prize which has been won by Mr. Jackson. But Mr. Farley was taken quite ill yesterday with acute rheumatism, and you will not therefore have the pleasure of hearing from him. I only regret that I have not had the opportunity of preparing anything worthy of your consideration in presenting this prize. It has been the custom in all ages to offer from time to time something as a stimulus to higher endeavor, to better work, and it was one of the happy inspirations of that lamented friend and able worker, Ben Calef, when he bequeathed to us his beautiful loving cup. Then some kindly disposed gentleman who appreciated the work and splendid enthusiasm and interest on the part of Mr. Ben Williams, who had been the chairman of the executive committee for a great many years, thought it would be no more than fitting that this association should have a second prize for those who would enter into competition for the writing of papers to be read before this body. This is briefly the history of this beautiful vase, and I cannot imagine that anything more fitting could have been selected for this purpose. A vase has always been suggestive of that delicate sentiment which goes with flowers, and it has always been a question whether sentiment after all was not the most potent force in the work. Certainly it enters largely into our work—the life underwriting business. There are more good sermons preached from the standpoint of love and sentiment for the mother or the wife or the child by you, gentlemen, than by any other people or calling, and to you, sir, I take it as no small honor which has come to you in writing the paper which makes you the proud possessor of this beautiful vase which I have the pleasure to present in behalf of the National Association of Life Underwriters.

Mr. Jackson—Mr. Chairman, Ladies and Gentlemen: It was in a moment of unguarded weakness that I entered this contest. Several of my friends in our association suggested the idea to me, but they insisted that it was my duty to come down here to Indianapolis and bring the Calef cup to New York. I had not any faith in my ability to do that, and I was not ambitious to try. All the while I was confronted with the, to me, dreadful contingency of coming out advertised as second best and getting the vase, and in my hesitation I consulted a friend whose opportunities have been such that he knew me best and knew best what my qualifications were, and he assured me that it was perfectly safe for me to enter the contest, that I need have no fear, that my apprehensions that I should be announced to the association as second best were unfounded, for in his candid opinion no one would ever know that I had been in the contest. [Applause.] And it was in that moment of weakness that I consented to come. Now in looking back over the affair I perceive that but for one obstacle I should have fulfilled the wishes and expectations perhaps of the friends of my association who gave me this mission. That obstacle is Mr. Jefferies, because as I figure it out if Mr. Jefferies had kept out of this thing I should have fulfilled my mission and taken the Calef cup back to New York with me. Mr. Chairman, I am not prepared to make a speech and I don't believe that you care to hear anything further from me on this occasion. [Applause.]

President Ward—The subject, as you know, is "The Bounds of Competition." We will now listen to the reading of the papers which won the first and second prizes. Mr. Jefferies will read his paper which won the cup.

"Fight a good fight."—*St. Paul.*

All life is a struggle for existence. Everything in nature vies with every other thing of its kind for a larger life. Competition is inevitable and necessary to growth and progress. Civilization is not opposed to it, but refines and ennobles it and limits its operation by moral and altruistic restraints.

In our work, as in every other line of human endeavor, competition, comparison and criticism are req-

uisite to the production of best results. The modern life insurance contract, with is freedom from unnecessary restrictions and unjust conditions is the fruitage of years of competitive enterprise. The protection afforded is almost ideal, yet the methods employed to obtain business are often unworthy of our high calling, and justify, to some extent, the adverse presumption which exists with respect to life insurance solicitation.

Where is the line beyond which fair competition becomes unjust condemnation and rightful comparison descends to defamation? Ethically considered, the bounds were clearly defined by Robert Burns, who advised a friend "to gather gear by every wile that's justified by honor, but where ye feel your honor grit, let that aye be your border."

Common honesty is the boundary in one direction, while the white stone of the Golden Rule marks the limit in the other. Between them is a fair field for cultivation and the promise of a bountiful harvest for all who will work. He who goes beyond seeks to obtain that for which he has not labored.

How shall the principles of honesty and fair dealing be applied to the practical business of selling life insurance?

Agents come into contact with each other at several points:

First—In the procurement of new business.

Second—With respect to business in force.

Third—In the development of a productive agency force.

First, then, as to the procurement of new business. Two agents are in competition for the same risk. For some reason, or no reason, perhaps, one of them secures the application. There is but one course for the disappointed one to pursue; give up the fight and seek elsewhere for favor. The applicant has passed his word and any attempt to make him break it is unfair to him and to the successful competitor. This is not an invariable rule,

THE CALEF LOVING CUP.

however. An application may have been procured by the use of dishonest comparisons, misleading ratios, "impossible" estimates, or a rebate may have been offered. Then must the fight be carried into the very camp of him who has proved himself an enemy.

Again, an agent may be in competition with some hybrid company, with unsavory record and uncertain future. His duty to the prospect will compel him to continue the contest.

An applicant sometimes signs an application in order to obtain a policy for inspection only. Contractual relations have not been established—the lists are still open. Rebating is beyond the pale. One who practices it either proclaims himself incapable or his company unfit. For a pittance to self, he denies to another the compensation which should be the reward of honest effort.

A word as to comparative and competitive literature. Some of the companies, like the converted soothsayers in old Alexandria, have made bonfires of their bad books. Ingenious distortion of figures, unmeaning ratios and calumny have no rightful place in our work, and it would be a forward step if all the companies were to purge their supply rooms in a like manner. All company publications are not to be classed as bad books, however. Statements of facts are legitimate canvassing documents. If a comparison be true, its use is within the bounds of competition.

Second, with respect to business in force. A prospect will sometimes say "I have a policy in the X company." Unless he can be persuaded to carry additional insurance, there is only one thing for a fair-minded solicitor to do: Congratulate him upon his prudence in securing protection, and then leave him alone. His confidence and possible future favor will thus be more surely gained than by any disparagement of his judgment or condemnation of the company of his choice. To do otherwise is to make oneself a trespasser and to become "out of bounds." Twisting is not competition. The twister is a modern incarnation of the evil one who sowed tares in another's garden while the good one slept. One who employs his methods may expect, in turn, to have his own business uprooted. "He will turn again and rend you." There may be reason for exception to the rule with respect to

twisting where the first year's premium has been rebated, and where the policyholder does not intend to renew. To convert such a one to a full-premium basis is fighting a good fight.

One other department of field competition demands attention; the development of a productive agency force.

Time was when a rate book, and application blank and a persuasive tongue were considered a complete outfit for field representation. Solicitors sprang into the business, like Minerva from the head of Jove, "full panoplied for war." The successful solicitor of today, however, is a trained man, and time and money must be spent in his education. Where an agent has made advances, given guarantees and opportunities, in the hope of developing a profit producing factor, he is entitled to his reward. No fair-minded competitor will seek to allure a solicitor from the service of an agent to whom he is morally, if not contractually bound. If a solicitor feels that he can better his condition by representing another company, the suggestion of change should come from him and not from a competing agency manager. Fairness to all would require some proof that his obligations to his present employer had been fulfilled. Fair competition would also encourage mutual protection against the genus "rounder."

It is impossible to state in definite terms the bounds of competition. Honest men, with just regard for the rights of others, will clearly see the boundary marks. Much has been said as to the beneficent purpose of life insurance in the protection afforded to home and family. In addition to this it is a great moral force and those who preach its gospel should make their actions accord with its lofty principles, both in relation to insurers, and to those who labor with them for the advancement of our noble institution.

"Who misses or who wins the prize,
Go, lose or conquer, as you can;
But if you win, or if you lose,
Be each, pray God, a gentleman."

President Ward—We will now hear the paper which won the second prize, by Mr. Jackson.

Mr. Jackson—Competition in life insurance is helpful to the cause in proportion as it is conducted along honora-

ble lines. When it leads to the use of dishonest or deceptive methods, the bandying of abuse or unjust criticism, it brings the cause into disrepute, working injury alike to agent and policyholder.

Honorable competition precludes misrepresentation, unfair comparisons and personal criticism.

The agent must be conscientious and honorable, to the end that he may not intentionally wrong a competitor. He must have some knowledge of the scientific features of the business, to the end that he may not unintentionally wrong a competing company by the misinterpretation of statistics, or the wrong application of principles that he does not comprehend. With an unfaltering faith in his own company, he must yet be impartial in his statements and just to his competitor.

Assuming that these conditions have obtained in a given contest, competition should cease when the applicant has placed his name upon the dotted line. There has been a fair fight, and your competitor has won. The applicant has given his word and his bond. To ask him to break his contract, to violate his pledge, is to insult his manhood, to wrong your competitor and to dishonor yourself.

Honorable competition precludes rebating. The agent who wins a contest by giving away his commission, robs his competitor. He has prevented the placing of the business on its merits. He violates his contract with his company, and is in most cases a lawbreaker also, defying the statutes of his own state. He robs policyholders who have paid their premiums in full, since the effect of rebating is to increase the cost of insurance by inducing adverse selection.

Honorable competition precludes twisting. To disturb an existing policy in a sound company can scarcely be justified under any conceivable circumstances. The specious arguments of the twister tend inevitably to weaken confidence in all life insurance. If one company

has deceived the insured, why may not another do so? Too often the effort to displace a policy merely undermines the faith of the policyholder in all companies, and leaves him without insurance. Too often the widow and the orphan have had reason to mourn the untimely meddling of the twister.

Twisting invites reprisals. Inroads upon the business of even an inferior concern incite retaliatory action, and just so certainly as a plausible and unscrupulous agent can deceive the unwary, just so surely will the business of the best company suffer with the worst.

The honest and conscientious twister exists, but he is a bigot who believes in but one company, and holds it a religious duty to proselyte from all others. He has no place in honorable competition.

The wise agent will not hazard his own case by abusing other companies. Convince the applicant that a competing company is untrustworthy, its investments unsafe, its solvency doubtful, and you weaken his faith in all life insurance. If other companies may cover up doubtful transactions, may deceive their policyholders, speculate in unsafe securities—if other companies are on the brink of insolvency, why not yours?

The assaults of a competitor must, indeed, be met—the fallacies involved in his comparisons exposed, but his errors should be attributed to inadequate information, rather than to intentional deception. It is always injudicious to call names. Every man's sense of fair play resents harsh criticism of an absent rival, but good-will and respect attend upon the generous treatment of a competitor. Conceding the merit of a competing company inspires confidence in your own good faith and sincerity.

The indiscriminate circulation of comparative literature is unwise competition because of its detrimental effect upon public opinion. The average man reads the reciprocal criticisms of competing companies, and gathers one distinct impression—that neither concern is any better than it ought to be.

Fair comparisons are legitimate competition, but who shall decide what is fair? All comparative literature, whether temperate or abusive, is defamatory in the estimation of the company against which it is directed, but

THE BEN WILLIAMS MEMORIAL SILVER VASE.

where credit is due for so expediting the work before us, in saying that Chairman Carroll had laid out the work in such a way that the labor of the nominating committee was very small. If in this state of political contest they are looking for a double ball-bearing back-action slate maker I refer them to Philadelphia [laughter], and if they want a Czar Reed man to preside at the Democratic conventions and put them through, I can also tell them where to apply. It is my pleasure to report to the convention the following nominations:

President: John Dolph, Cincinnati.

First Vice-President: Percy V. Baldwin, Boston.

Second Vice-President: Wm. Van Sickle, Michigan.

Third Vice-President: C. C. Courtney, Kansas City.

Secretary: Ernest J. Clark, Baltimore.

Treasurer: Eli D. Weeks, Connecticut.

Executive Committee: Three Years—M. H. Goodrich, Baltimore; J. Perley Monroe, Worcester; Theo T. Johnson, Newark, N. J.; E. O. Sutton, Springfield, Mass.; John F. Huntsman, Providence, R. I.; B. H. Timberlake, Minneapolis, Minn.; W. J. Robinson, Buffalo, N. Y.; J. W. Fitzpatrick, Portland, Me.; George A. Cantine, Newburg, N. Y.; A. J. Birdseye, Hartford, Conn.; W. T. Nuttall, Dayton, O.; J. D. Boushall, Raleigh, N. C.; F. E. McMullen, Rochester, N. Y.

Two Years—Wm. V. Holley, Los Angeles, Cal.; Wm. Goldman, Portland, Ore.

One Year—W. R. Noble, Louisville, Ky.; C. W. Orr, Ft. Wayne, Ind.; F. L. Chesney, Kansas City.

Mr. Carroll—I would like to state that Mr. Chesney was elected to fill the vacancy that was caused by the election of Mr. Courtney to the vice-presidency.

Mr. Scott—I move that the rules be suspended and that the secretary cast the vote of this association for the nominees just named.

The motion was carried.

The Secretary—Mr. President, the vote is cast.

Chairman Ward—I will ask Mr. Scovel to escort Mr. Dolph to the platform.

Great applause greeted Mr. Dolph's appearance upon the platform. In acknowledgment he spoke as follows:

Mr. President, Ladies and Gentlemen: The program

before me at his minute ought to be a simple one and yet that is not the situation. I think an election to a position of such national prominence as the presidency of this organization is one that ought to fill any member of the association with a great deal of pride and at the same time with a full realization of what it means. When I was first approached on this subject I was as sure that my election would not be brought about as I could be of anything. I remembered some of my experience in the past and it seemed to me after those experiences that the proper action would be taken if I were never called upon to fill any high office in this association, because of the arduous duties which these positions entail, and realizing as I did my incompetency there was only one course to pursue. My duty, Mr. President, at this time is to say to you, and to say to my good friends who have seen fit to place these honors upon my shoulders that I appreciate them, that I realize what they mean, and that I will, God helping me, carry them out to the best of my ability. [Applause.]

Chairman Ward—Mr. Dolph and Gentlemen of the Convention: I want to congratulate you on taking up this work at a time when the executive committee and this convention have made it possible for you to do greater things than it has been possible for any of your predecessors to do in this respect. You know and I know that the way to get a large place is to crowd the place we have, and I know that you will so grasp these increased opportunities which the executive committee has given you, that you will come to the next convention at Hartford and demand, by the work you have done, even larger opportunities for your successor. I have been very much impressed by a little extract from the baccalaureate sermon of President Hadley of Yale regarding Generals Grant and Lee: "Never were there two men more utterly and radically different in character, intellect and position than the great Civil War leaders Grant and Lee, but as we are passing somewhat from the heat and passion and narrowness of vision engendered by war, we see that the dominant trait of each of these men was that he counted his cause for everything and himself for nothing. It was this trait which gave them their great power as commanders of their respective armies, and

which distinguished them from many other generals perhaps equally able." And in a way I would like to refer to that great general, perhaps the greatest general in American history, General Lee. You, like General Lee, have to represent the minority in this business, and you have to fight and win over to your side if possible a majority. Unlike General Lee you happen to be on the other side and are going to win, and it gives me pleasure to present to you this gavel, the symbol of authority in our convention, and ask that you conduct the proceedings from this point. [Applause.]

Mr. Dolph then took the gavel from the hands of Mr. Ward and assumed the chair.

President Dolph—Mr. Ward and Gentlemen: I am indeed grateful for this distinction and this honor, and if there is anything I would like to say, it is that I do not expect to make the record that my predecessor has made. I believe he has surprised us all. He has surprised himself, I think, and my experience in attending these conventions (which covers a number of years) makes me feel that this has been the greatest meeting we have ever held. [Applause.] The next on the program is a speech from the vice-president, Mr. William Van Sickle. Will he please come to the platform. [Applause.]

Mr. Stringer—Mr. President, Ladies and Genlemen: I feel that one of the greatest inspirations we could get at this meeting is to know more than we perhaps do of the retiring president of this association. He does not know that I am going to say anything about this, but I insist that I am in order. I just wish to say that any president of this association, giving such an administration as he has given us during the past year, and who can in the first nine months of the year personally write half a million dollars worth of business, and conduct such a general agency as his is, sets a great pace for us and shows what a busy man can do if he will devote himself to this work. I say it has certainly been a great success and this has been an inspiration to me and to some of us, and I hope it may be to you all.

President Dolph—Gentlemen, I have very great pleasure in introducing to you Mr. William Van Sickle, our second vice-president. [Applause.]

Mr. Van Sickle—Owing to the lateness of the hour a speech from me would be entirely out of place. I wish to say, however, on behalf of the Michigan life underwriters and myself, that we thank you for the honor conferred upon me, and you can call on me for any work you feel I can do, and I will do it to the best of my ability. [Applause.]

President Dolph—In the absence of Mr. Courtney, I will ask Mr. Ernest J. Clark, your new secretary, to address us. [Applause.]

Mr. Clark—Mr. President and Gentlemen: I usually endeavor to follow the old accepted rule that the way to avoid trouble is to keep out of it, but I seem to have made a failure in this instance. When the position of secretary of this body was proposed to me my first answer was in the negative, and most positively so. Subsequently, through the persuasion of some of my good friends, I was induced to accept the position. I felt at the time when I first refused it that I could not accept this responsible office, involving the labor that it does, with justice to the National Association and myself. You doubtless all know that in February last we sustained a frightful calamity in the Baltimore conflagration, at which time our city lost twenty-four hundred buildings, and sustained a direct property and commercial loss of between one and two hundred million dollars, and all our general agency offices in that city, save three, were burned. Since that time we have been in rather a chaotic condition, endeavoring to rehabilitate the business. We are not yet through, and I had mapped out for the coming year a very strenuous year, feeling that it was about as full as it could be if I were to accomplish what I had in view. However, so far as my ability goes I shall endeavor to fill this office which you have conferred upon me and do justice to the association if it lies in my power. From the sentimental side of the case I would not be true to my feelings if I did not thank you most heartily for the honor which I feel you have conferred upon me, and I trust by the time we meet in Hartford next year that the secretary's office will be well in hand, and I shall do all in my power to bring that about. I thank you. [Applause.]

President Dolph—Will Mr. Weeks come to the platform.

Mr. Weeks having come to the platform, President Dolph said, "Gentlemen, 'Uncle' Eli." [Great applause.]

Mr. Weeks—Mr. President and Gentlemen of the Convention: I have appeared before you in this capacity so many times I think it is hardly worth while for me to attempt to say anything. [Applause.] I assure you, gentlemen, I do not appear here in my own personal interest. I have been in the insurance business for nearly forty years, and I take a great interest in the business, and the only object I have in view is simply to encourage the work of the association. Nothing has done so much to elevate this business as the work of this association, and if I have been of any assistance in carrying it along and aiding this association or the local associations, I am very glad of it.

I want to say to you gentlemen who are attending this convention from the western and middle states associations, I hope you will go back home and use your personal influence and exert yourselves and take an interest in the work, as some of us have, and try to organize local associations in your sections. I assure you if you will do that I will use my efforts, and I think every member of this association will exert himself to carry the National Association into those sections and hold an annual meeting there, I don't care if it is Los Angeles or where it is. I thank you, gentlemen, for the honor you have conferred upon me. [Applause.]

Mr. Janney—"The king is dead! Long live the king!" [Applause.] I desire, sir, to say that our executive officers are neither gone nor forgotten. They have served us loyally, efficiently, and we desire to thank them. Their interest in this association and in life underwriting work is stronger today, I dare say, than it ever was before and their activity is transferred to the not less important, if less spectacular positions than those they have been occupying. Some of them have served us but a year, our president and our chairman of the executive committee; some of them have served us longer, notably our secretary who has just retired. We have a sense of high appreciation of the work that they have done for us, and I desire to move that this association record a cordial vote of thanks to the ex-president, the ex-vice-president, the

ex-secretary, the present treasurer, and the ex-chairman of the executive committee. I move you, sir, a rising vote of thanks to these officers for the efficient and courteous manner in which they have served the association and the cause.

The motion was carried.

President Dolph—The next is new business. Has any one any new business to offer for the benefit of the association?

Retiring-President Ward—I want to take this opportunity to thank all the gentlemen who came to this convention prepared to take part in the proceedings and make it the success that it has been. I believe that a convention is a success or a failure before it convenes, and because you gentlemen came prepared we have been able to make this convention an enthusiastic one, and I wish to thank you for your support. [Applause.]

I desire to say that the Standard Printing Company has wired, "Can furnish bound copies report thirty days after receipt of copy in good shape."

President Dolph—If there is no new business the chair will entertain a motion to adjourn.

On motion the convention then adjourned.

In addition to the telegram from the president of the Los Angeles (Cal.) Association, the following was received from Delegate Russell, who was delayed en route to the convention:

ALBUQUERQUE, N. M., Oct. 12, 1904.

Mr. Ward, President National Association of Life Underwriters, Claypool Hotel, Indianapolis, Ind.:

Detained five days by washout, fear cannot arrive before you adjourn, much to my regret. Am bearer of official invitation from Los Angeles Life Underwriters' Association, City of Los Angeles, Chamber of Commerce and Conservative Life Insurance Company for you to hold your next annual convention in the city of Los Angeles. Come.

J. N. RUSSELL,
Delegate from Los Angeles Underwriters' Association.

After adjournment there was a meeting of the executive committee, when Everett H. Plummer of Philadelphia was chosen chairman.

SOCIAL FEATURES.

Delegates to the convention and visiting ladies were invited to an informal reception Wednesday evening at the Claypool, and several delightful trolley rides were enjoyed. The banquet Thursday evening was a brilliant affair, the presence of ladies, for the first time in the history of the association, adding largely to the success of the affair. The members of the Indianapolis Association were untiring in their efforts to make everyone feel at home, and their hospitality was unstinted.

THE BANQUET.

The fifteenth annual convention was brought to a pleasant close by a banquet at the Claypool Hotel on Friday evening. The occasion was rendered more attractive than usual owing to the presence of a very large number of ladies.

The following menu was served:

Bluepoint Cocktail, Mignonette.

Celery.

Clear Green Turtle.

Radishes. Olives.

Bluefish Maitre d'Hotel.

Julienne Potatoes.

Pattie a la Neptune.

Tournedoe of Beef, Montebello.

String Beans. Noisette Potatoes.

Roman Punch.

Supreme of English Grouse, Poivrade.

Waldorf Salad.

Neapolitan Ice Cream. Petits Fours.

Cheese. Coffee.

In opening the post-prandial part of the banquet exercises President Dolph said:

Ladies and Gentlemen: We have arrived at a period in the fifteenth annual convention of the National Association of

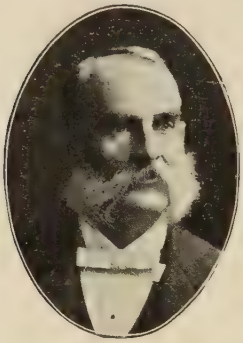
Life Underwriters which to my way of thinking is the most important on the program. It has fallen to my lot to introduce the toastmaster of the evening. And, my friends, I want to congratulate you because of the fact that one of the founders, one of the originators (I might say, a very large percentage of the backbone of this organization) has agreed to come here and act as your toastmaster, and I think I really ought to express some of the appreciation felt by you and by me to him. I simply want to say, the toastmaster of the evening is Mr. I. Layton Register of Philadelphia. (Applause.)

The Toastmaster—In acknowledging this honor, let me say, first, to the members of the National Association, by way of preface, that you who have the interests of the association at heart require that the president shall be a man who is imbued with the larger spirit and the finer sense of unselfishness, who lifts everything he touches to a higher moral and intellectual plane, and who is imbued with a wide and far-seeing conception of the good of the association. Every successive president has aimed to set this mark higher for his successor. This was due to you. We believe that these attributes distinguish the gentleman whom you have elected today as your president. (Applause.) We are not alone in this belief. The visiting ladies who have enjoyed listening to the proceedings of the convention desire to express their approval of all that has been done, and have delegated me to present to you, Mr. Dolph, and also to you, Mr. Ward, their good wishes by these flowers, than which nothing could be sweeter—except themselves. (Applause.) The sixteen chrysanthemums for Mr. Dolph are emblematic of the "beginning," and are significant of his hopes and ours for a successful year (Applause), while the fifteen beauties for Mr. Ward have as their emblem the word "Forsaken" (Laughter and applause), showing how soon we become "back numbers," however brilliant the past career. (Laughter.)

Mr. Register, then addressing the audience, said: Honored Guests and Fellow Members—Whoever contributes to the betterment of the conditions of life is a benefactor. Life insurance agents are therefore benefactors. The conclusion of another successful convention has proved the value of our organization to the craft, and the power it possesses in lifting our profession to the position to which it is entitled among the world's benefactors.

Now that this fact has become a matter of record, let us not forget to give honor to whom honor is due for having maintained this position. The officers who have stood the heat and burden of another year have fulfilled their trusts with rare fidelity, and I express to them your thanks for what has

been so ably done, and our hopes for what they are still to do in the great cause to which many of us have devoted some of the best years of our lives.



Hard work agrees with some people. Why, Ward and Carroll and Mason haven't aged a bit during the year, and as for Uncle Eli, he is younger, God bless him.

But at least this is certain: A year ago you entertained high hopes of what you now know was destined to be accomplished notwithstanding the difficulties to be overcome. During the past three days your minds have been filled with the wonders of life insurance; its past glory, its present greatness, its future hopes. I shall not, therefore, tax your patience with further statistics at this time. Tonight we shall be merry. You have had a good dinner, and while enjoying your cigars will listen to the words of wit and wisdom that flow from the lips of men of genius.

As an organization, we know that our light shines. Representing rival corporations all over the land, we also know that that light is a constellation, rather than a single star; a unity of forces, not merely individual strength; a congerie of companies, each a particular star.

While loyalty to our respective companies is expected, let us remember, fellow agents, that in our business there is a circumference, as well as a center, and while the life blood flows out from the heart to the extremities, it comes back again from the extremities to enrich the heart, and as the days go by, the feeling grows in forcefulness that we are knit together by ties of a finer humanity, a broader and deeper sympathy. (Applause.)

Mr. Register then introduced as the first speaker Rev. Dr. Edwin Holt Hughes, President of DePauw University, whose subject was "College Training for Life Insurance Agents," as follows:

The day has gone by for limited education. Your father needed a better education than your grandfather. Your father gave you a better schooling than he enjoyed. And for a like reason you sent your son to college that he might be fully equipped for the demands of the times, for it is the college bred man that is coming to the front.

There was a time when all that was required to sell life in-

surance was a glib tongue, without being "subjected to the rules of grammar." Today the intelligent agent is wanted and he is revolutionizing the business. Our educational institutions are noting the current of events, and having recognized that insurance is a factor in the world's progress, have given it a chair in their faculty. We have as a guest tonight a distinguished teacher who believes in being abreast of the times and will tell you more about it. I have pleasure in introducing Rev. Dr. Hughes.

Dr. Hughes—Self-preservation is the first law of nature. Let me say, therefore, at the very outset, that I already have all the life insurance that I can possibly carry. (Laughter.)

Perhaps this word is not needed; at any rate, a recent experience would suggest its needlessness. When the invitation came to me to speak at this banquet I was asked to name my own subject. I responded by giving the theme, "Religion and Insurance." To my great surprise I received speedy word from both Mr. Ritchie and Mr. Register saying that they preferred to have me treat another topic. This request was strange. Did these gentlemen feel that religion had nothing to do with insurance? Or did they feel that, however much they themselves might want religion discussed, the theme might not suit their more worldly co-workers? Some reason was lent to this suggestion by the fact that I first met Mr. Ritchie at a church gathering, and by the added fact that only this week I have had the pleasure of reading an article from the pen of Mr. Register in a religious paper. The toastmaster mentioned several reasons for his request. One was that nearly every clergyman that had hitherto spoken at your banquets had talked on religion in its relation to insurance. This shows that clergymen know where their work is most needed. (Laughter.) Mr. Register said, also, that Dr. Stansfield was to talk on "Ethical Aspects of Insurance," and that two sermons in one evening would be rather strong and full diet for such a body as this. (Laughter.) I felt like retorting that I had known insurance men who did not hesitate to inflict more than two addresses on their favorite theme upon the same audience in one day (Laughter), but I held my peace. So here I am compelled to speak on a worldly theme to an unregenerate audience. I have the right to expect that hereafter

insurance men will not talk to ministers about insurance. It is certainly asking much that a man shall discuss what he knows little or nothing about. How, for instance, would some of you like to have to speak to a gathering of preachers on religion?

But my consolation is that you can sometimes give men the right medicine even though the bottle shows a different label. Perhaps you will welcome a little religion unawares! I have heard of wives who secretly gave their husbands the gold cure in their morning coffee or evening tea, and I presume it would be possible in a gathering of this kind for a man to talk about religion, and it might be that nobody but Mr. Register and Mr. Ritchie would recognize it, even if you were to talk about it. (Laughter.) Mr. Ritchie suggested that I speak on "Life Insurance and Civilization." But, so far as I can observe, this audience is already civilized! Why carry wood to a forest or coals to Newcastle? Mr. Register said that I ought to speak on "College Training for Life Insurance Agents." I said to myself, "I can speak on college training, even though I say little about insurance." This topic offered me at least half a chance. This, in brief, is the story of my thralldom.

The world's conception of the scope and purpose of education has been marvellously changed within recent years. The time was when only those who were to enter the so-called learned professions thought it worth while to halt for a college course. That time has passed; and the cycle of the years will not bring it back again. The Business College came,—with a course oftentimes as superficial as it could well be made. None the less it was the poor precursor of such a splendid department of a great university as the Wharton School of Finance at Philadelphia. The Technical School is here, and all kinds of engineers are pouring from college halls into the life of this vast age. Meanwhile the candidates for the old-time professions continue to seek preparation in our higher institutions of learning. The idea that the leaders in all the large and legitimate lines of endeavor should be specially trained in an academic atmosphere has arrived; and that idea will live on. We may have reactions; but the world will pay heed more and more to the man who comes to his work with correct theories as to its means, its meanings, and its ends.

When once that comprehensive thought of education claims the world's mind, every system of activity must hear its call. One would have said years ago that life insurance would have no place in a collegiate curriculum. The statement here would have been: "If a man has not the natural qualifications, no college training will make him a good life insurance agent." This remark sounds much wiser than it really is. It is just as

true of law or medicine or theology. The question in reference to all education is precisely whether good raw material can be gotten into more workable order.

It may be that in your conclaves you have sometimes discussed the query: Where should life insurance agents be classified? Do they belong to a trade, or to an occupation, or to a profession? Lawyers and doctors and clergymen are supposed to have special college training. Does your work require less brains and less development? You must make almost as many calls as a doctor, write nearly as many briefs as a lawyer, and do far more talking than any preacher. You will not accuse me of making an overstatement if I aver that life insurance agents have frequent opportunities for the use of intellect!

Those who have watched with care and interest your field have not failed to note the ever-enlarging respect paid to your representatives. Even the old joke about the life insurance agent being a bore is passing away; some of us have not heard it in months or even in years. The idea no longer obtains that any man with a mere flux of speech can succeed in your work. It is true that men can enter upon the soliciting of insurance practically without financial capital. It used to be, therefore, that failures in other lines sought your employment. I once knew a clergyman to enter life insurance because he had lost his voice! But, seriously, men who love their calling will be slow to grant that it can be pursued successfully without capital that is higher and deeper and broader than the financial. The insurance studies in universities like Yale, at New Haven, are the prophecy that ere long colleges will be called upon to prepare men for insurance work, even as they prepare them for other important and righteous undertakings.

Yet it may be possible to insist that college training for agents be so technical as to be genuinely narrow. In my opinion it would be bad if a man should spend four years in studying nothing but insurance. We can indeed picture a college built on that plan. It would be called the College of Insurance. Yonder would be Life Hall; here Fire Hall; there Accident Hall; yonder Liability Hall; here Burglar Hall; there Tornado Hall. The degree given would be B. I.,—Bachelor of Insurance. Men would come out from this college fairly soaked and steeped in insurance only. But they would inevitably be narrow men; the razor edge would be the symbol of their lives. It would be specialization gone mad. We need today men who are more than doctors; men who are lawyers with an addition; men who are preachers plus; men who are life insurance agents, but who still feel the thrill of poetry, and fondle the flowers, and name and love the stars of heaven.

No man can afford to choke up all the channels of life,—save one. That will mean that certain elements of his nature will die,—even as the great scientist confessed that his instinct for music had long since perished.

Now there are not wanting signs that our age is over-specializing. Oliver Wendell Holmes told the story of a physician who refused to treat a broken left shoulder on the ground that his specialty was the right shoulder. This exaggeration is a hit at an actual evil. A man should know something of everything and everything of something. None of us should favor a college training that would make only life insurance agents. You sometimes talk about "a broad and liberal policy." Well, that is what you need, not only for your business but for all your life. There is an epitaph somewhere over the sea which reads: "John Jones; born a man; died a grocer." Would it not be possible for one to be born a man and to die nothing more than an insurance agent or a preacher! The College of the Humanities,—that fine old word of the schools,—should precede the College of Insurance.

Nor is all this impracticable, so far as it relates to definite and overt accomplishment. When the agent talks, all of the man should re-enforce his appeal. Other things equal, the more man you can bring to bear on the subject, the more insurance you will write. If I knew that my boy would spend all of his life as an insurance agent, I would still say to him: "Get a well-rounded and broad education." The culture idea must not be lost. It is a big world, gentlemen; and this is sure to be a big century. In this big world and in this big century we shall need very big men.

There are, in truth, few regular collegiate studies that will not bear more or less directly upon a training for life insurance agents. If a man studies until he can speak clear, concise, elegant, forceful English, he will find it helpful. If he knows mathematics he can better figure out a case for his company! I know of few things more wonderful than the adept manner in which the tables show that each company is the best. You surely have some great mathematicians in your clan! They have sometimes reminded me of the old adage: "Figures never lie; but insurance men sometimes figure." To English and mathematics may well be added psychology and logic. He who knows the mind can best approach it; and he who reasons clearly is most likely to capture the mental castle. Having gained this general culture and training, let the insurance man apply himself to a study of his specialty. He may take it as his major, as goes the collegiate phrase; or he may take it as a post graduate or professional course. He may become a Bachelor of Science with the idea that insurance

is one of the sciences; or a Bachelor of Arts with the idea that insurance has become an art! He will become in every way a stronger and broader worker, will live an ampler life, will lift the standard of his profession, will add new glory to the world, and far beyond the limits of his own immediate class his influence will run out until its waves touch the farthermost shores of our human activities. (Applause.)

The Toastmaster—Conscience, that makes cowards of us all, becomes the law and arbiter of our conduct towards those dependent on our lives and acts. When we solemnly agreed to love, honor and cherish the one who, forsaking all others, believed our vow, what a travesty men make of conscience in not doing their simply duty to the utmost of their ability. Let us hope that most men do. The trouble is with the fair beneficiaries. They don't understand life insurance, and too often block the agents' good work. But while wives sometimes object to insurance, widows never do.

I have the pleasure of introducing Hon. Alfred M. Potts, who will speak to us on "The Little Beneficiary."

Mr. Potts—Mr. Toastmaster and Ladies and Gentlemen: Some time ago I came very near being rejected for life insurance on account of the condition approaching nervous prostration, which, upon investigation, I satisfied myself had arisen solely from the strain put upon me in the effort to memorize occasional after-dinner speeches. (Laughter and applause.) With a manuscript in hand I find myself relieved from all nervousness and worry and strain; my appetite is very satisfactory, I have no aches or pains, except those of sympathy for other speakers who have the burden of their speeches on their minds. This is a practical thought that I want to bring before you insurance men and perhaps the only suggestion that I may make to you. You have before you a rich treat in these speeches upon your professional work. I want to drop the one thought with you. If you will observe the speakers at a banquet table—not this one so much as others—where there are less experienced speakers, you will notice signs in their faces indicating strange nervous conditions; there is a vacant stare at time; there is a great abstraction in manner; there are furtive glances at little bits of paper taken from the pockets of their vests. They grow pale now and

again as one will who remembers that he has forgotten something. All this will gradually lead to nervous prostration. (Laughter.) I have then this one suggestion to make to you, though I know that your application blanks are already overflowing with questions asking what your great-grandmother's great-grandfather died of; but can you not strike out the questions whether you ever had lumbago, or back-ache, or tooth-ache, or measles, or croup, or chicken pox, and substitute one question of far more importance—is the applicant's mind or nervous system impaired by his efforts to memorize his after-dinner speeches? (Applause and laughter.)

By some misunderstanding, perhaps, of the very generous members of the committee, I was at first asked to speak on the "Fair Beneficiary," a subject which I treated some year or so ago before a similar body, and in that way the subject was assigned. I did not feel justified in presenting it again and so taking another step in the domestic circle I crave your permission to toast another member of the family group for whose future welfare you labor day by day.

We toast "the ladies," why should we not toast our little girls, "The Little Beneficiaries."

The sweetest, tenderest joys spring from their artless ministrations. Artless, I say, and yet who so artful as the little child pleading for some favor which has been denied?

Masters of diplomacy and intrigue, they scruple at nothing and employ either tears or smiles as will best serve the purpose.

Children live in a romantic world of their own, and look upon us as stern keepers of the gates which open to new and untried pleasures of the imagination.

We knew little of them in literature until Christ lifted them from the pavement with His declaration, "Of such are the Kingdom of Heaven."

I am aware that this is at times seriously doubted even by respectable people. This doubt usually arises in the first year, when the baby, bless her heart, is trying to economize by cutting her own teeth. (Laughter.) She is seldom appreciated at this period by her father, and many a man, remembering that "of such are the Kingdom of Heaven," does and says many things to secure a different future residence for himself. (Laughter.)

The baby's first effort is to fix the true relation which her stomach bears to the outside world. She forms the opinion that she was sent into the world for the express purpose of absorbing it, and she begins upon this task with a singleness of purpose and energy which are only defeated by the limited power of distention of that organ.

She begins voice culture with her first breath, and chooses the deep silences of the night for her exercises, ranging from the cooing of a dove to the screeching of a calliope.

It is at the fourth watch of the night that the tired parents look at each other and sincerely wish they had never been introduced. (Laughter.)

They were but just out of school when they married, and their minds are stored with the classic literature of antiquity, the gems of poetry, and the science of our modern civilization. They now apply all the acuteness of their trained intellects, as they feverishly turn the pages of the Family Doctor, in the effort to decide whether the pimples on the baby's face are signs of rash, chicken-pox or measles. The cologne and lavender-water bottles on the dainty dressing table give way to castoria, soothing-syrup, and goose-grease. (Laughter.)

Last summer these parents as lovers sat beneath the pale effulgence of the moon, looking out across the mirrored surface of the lake and dreaming of the ecstacy of future days, when they, on summer nights like these, should sit, hand in hand, beneath the fragrant boughs of their own roof tree and idly watch the clouds floating in folds of filmy lace across the moon's resplendent face.

The young mother recalls this vision as she carries the colicky baby to the window to distract her for a moment, while the father brews the catnip tea over the alabaster lamp. (Laughter.)

And so the weary year runs on with its sleepless nights and its sleepy days, and your romantic dreams disappear with the hair on the top of your head.

You keep up your courage, however, and tell your friends volumes of lies about the budding genius of your child, while you wonder every day whether she has anything but water on her brain. (Laughter.)

After awhile, however, she begins to smile at you and coo, and you take her on your knee and bounce her and give her the hiccoughs. (Laughter.) She continues to cultivate your acquaintance, however, and a little fuzz on the top of her head. (Laughter.)

At last the plates of her skull unite, and you are relieved of the haunting fear that she will some day yell so loud as to blow her brains out through the little soft spot in the top of her head. (Laughter.)

Her features shape up and you begin to believe you could identify her without a strawberry mark. (Laughter.)

Articulate sounds break the awful monotony of the colicky yell, and gradually, and yet, as it seems, almost at a bound, she rises like the sun to shed about her the blessings of her cheerful presence.

You first realize this when you wake up some morning, surprised that you have slept all night without interruption, and hear a cooing, chuckling noise in the cradle at your bedside. You look upon your child's first real, earnest, intelligent effort in life, and feel a just parental pride when the baby at last succeeds in getting her toe into her mouth. (Laughter.)

Soon the prattling days come on when the little one perches her head on one side like a bird and sings her nursery songs or repeats little verses from the "Rhymes of Childhood."

The mother now ventures to make a little visit, and leaves the baby with you, and she nestles in your arms before the fire at eventide, and listens to your tales of sprites and elves and the "Squedecum-squees that swallers themselves." Listens at first with wide open eyes, whose lids droop now and again until the little face upon your arm is lapsed in slumber. A faint smile flutters over it as though to bid you adieu as she floats out into the wonderland of your story, borne on the wings of the gentle sprites you have evoked. Then you press her to your heart and dream of her future.

Will any harm come to your little treasure? Will any cold wind pale those ruddy cheeks? Will any sorrow dim those trustful eyes? She sobs—the strange little sob of sleeping childhood—the dream of a broken toy.

You rock her, and quiet her by crooning Riley's beautiful lines:

"There, little girl, don't cry!
They have broken your doll, I know;
And your tea-set blue,
And your play-house, too,
Are things of long ago.
But childish troubles will soon pass by.
There, little girl, don't cry."

And you think, as you sing, how soon these prattling days will be over, and your baby on her way to school.

Again she sobs, and you catch up the refrain as you rock:

"There, little girl, don't cry!
They have broken your slate, I know;
And the glad wild ways
Of your school girl days
Are things of long ago.
But life and love will soon pass by.
There, little girl, don't cry."

"Life and love," you repeat to yourself. Is it possible that my little sweetheart will sometime learn to love some other man than me, and throw about his neck those loving arms?

Again the little face is clouded, and again she sobs, and you catch up the refrain:

"There, little girl, don't cry!
They have broken your heart, I know,
And the rainbow gleams
Of your youthful dreams
Are things of the long ago;
But heaven holds all for which you sigh.
There, little girl, don't cry."

Blessed ignorance of childhood—she only hears your gentle voice above her, and knows nothing of the tragic picture you have drawn. You bend low over the sweet face, and kiss the white forehead again and again, and pray the good God may spare her the sorrow of a broken heart.

You have forgotten your uncut beard. It jabs her in the face. She wakes. She yells: "Want my mamma! Want my mamma! No, don't want papa! Don't want no dink—don't want no tandy; want my mamma! want my mamma!"

You press her closely, rock her vigorously, and endeavor to soothe her with gentle words. But it's no use. She squirms and kicks and yells like a combination of eels, burros, and Indians. So you lay her down and abandon her to her fate. She kicks out at the air in blind fury. You then discover that she has inherited one of her mother's striking characteristics (Laughter), for the moment she finds that she has nothing to kick at she stops; sits up, rubs her eyes, looks around, and gives you an order: "Want a dink." She drinks as though she had just crossed a desert. Rubs her eyes again, and then issues her second order: "Wock me." Of course you know your duty. You should put her in her cradle and compel her to go to sleep alone. You are ready to do it when she suddenly softens and speaks to you in tones that would melt a stone to tears: "Peas, papa, wock baby." And you rock her to sleep in your arms between her sobs and smiles. And you have time to think how perfectly helpless a man is who is left alone with a child who may get mad at any moment.

After a while you go away for a week on business, and you think of her as a baby in your arms; and the next mail brings you a letter with your name printed on the envelope, and the inside laboriously worked out:

"Dear Papa—I love you every so much most any day. Please, bring me some candy

Yours lovingly,

_____"

And you look at that composition and wonder if any other child of her age ever showed such precocity; and the more

you study it, the more you are confirmed in your opinion that special talents are directly transmitted. (Laughter.)

The age is on when her curious mind seems provided with an instrument like a butter trier, which she dips into everything, taking out a sample to be felt of, tasted and smelled. All she asks of you is to name it, and provide the paregoric if it makes her sick. (Laughter.)

You begin to teach her serious things and to pray. I began upon my little girl with the childish prayer:

> "Now I lay me down to sleep,
> I pray the Lord my soul to keep," etc.

In a few nights she had it well in memory, and would conclude with, "And God bless papa and mamma and grandpapa and grandmamma and all the folks and doggie and the kittie, and don't let the kittie catch my birdie, and make me a good girl." So one night I thought it my duty to ascertain what real idea she had obtained from the words, and asked:

"Well, my little girl, what is the Lord?" To which she answered, glibly: "Why, that's what we grease pans with."

I saw that her culinary education was in progress, and so deferred the religious.

Little girls are apt to make serious mistakes in their ideas of the relative importance of things. Our neighbor's children were having a second Christmas tree of their own devising.

"And I'll be Santa Claus," said Evelyn. "No you won't," said Russell; "I'm going to be Santa Claus myself." Tears of disappointment gathered in Evelyn's eyes as she submitted, saying, "Well, then, I suppose I'll have to be God."

But you all have volumes of children's stories, and while you are telling them your little girls grow up about you and begin to study their faces in the mirror and talk sedately, and no longer ask you to carry them on your back or romp with them on the floor.

They will read much and write long letters, and will seem to have a life somewhat apart from yours, with hopes and longings which your presence will not satisfy.

As your hair begins to silver, your child, no longer a little girl, now taller perhaps than her father, walks beside you swinging the hand which once nestled so trustingly in yours. The same sweet blue eyes look out from a mass of waving hair, but the childish wraith-like form is rounding out to gentle womanhood.

As she half dances along beside you, spurning the ground with the spirited feet of youth, your own romantic days come back again. For a moment you are walking beside the girl of your youthful fancy, reveling in the consciousness that she is yours. Only for a moment, however, does the illusion last,

for yonder in the distance, almost too dim for your discernment, comes another figure swinging toward you. There is a straightening of the form beside you, a flush of added color, a quick feminine touch to straying locks, a long distance recognition and with the near approach and greeting of the tall, athletic fellow, with bronzed face and clear eyes, a pang and a thrill of pleasure struggle for mastery in your mind.

But here is another and again another as you walk, and hats are raised and low bows made and smiles exchanged. For a moment you swell with pride, assuming that all this attention and deference is being paid to you. But the fact gradually dawns upon you that it is all meant for the young woman at your side, and you—what are you in this new world in which you find yourself?

Only the father of a pretty girl to whom and not to you, the hats are raised and the bows are made.

What does it all mean? Never will you allow any of these empty-headed, empty-handed youths to steal away your treasure. She shall not mingle with them and have her head filled with nonsense and her heart with longings.

With this mighty resolution firmly fixed you meet another youth who stops to ask the pleasure and the privilege of her company on a certain night you had set apart to take her to the same entertainment. Your first impulse is to crush the impudent youngster with a blow in the face; then you con words to shrivel him and with a glance into their young, expectant faces, mutter your full approval and consent. (Laughter.)

She no longer runs to you in her nightdress and perches on your knees for a good night kiss. On the contrary she comes in very carefully attired, with never a lock astray. Is wide awake and active, with a most expectant air and seems to recognize certain footsteps squares away.

You remember with a half-stifled sigh how she used to run to meet you at the door as she goes to greet these young fellows who seem so perfectly uninteresting to you, and never know how or when to leave or where to put their feet. You try to entertain this one for a time but gladly give way to your wife, who somehow puts him at his ease and seems to share the obvious pleasure of her daughter.

Remembering your own inanity at the same age, you mellow just a little, reflecting how women love to suffer. Then you resume your paper but get the news sadly jumbled up with tennis, football and other college talk.

A reference to your favorite game of golf draws you back into the conversation. You like a thorough going fellow who has been a college athlete. It shows that he has a sound body and a healthy mind with no room for sentimental nonsense.

It delights you to see your daughter's interest in such wholesome subjects, so far removed from any mawkish personal sentiment. This is a safe acquaintance.

Before you know it you are warming up to the young man and showing him your golf clubs and inviting him to play with you at the club.

And you have two rounds with him. He makes tremendous drives and does other golf stunts that draw the "gallery" your way, but strangely falls down on the last hole, allowing you to win out.

Everybody wonders how it happened and one envious fellow of your own age makes a side remark to you about "a foxy young chap," which is all nonsense, of course, for he tells you himself that he never played a stiffer game in his life.

But a sifting process has gone on and you seldom observe any unfamiliar faces. Always this same wholesome-minded young man who is so fond of golf and is unselfishly devoting his summer to helping you and your daughter master the game.

He appears at the most unexpected hours and places and you come to believe that if you were ever held up and drugged and got home at 2 o'clock in the morning he would be on the front steps to find the key hole for you.

He dines with you quite informally and you note his respectful interest in your conversation and his deference to your opinions, and his appreciation of your after-dinner cigars. But you sometimes wish he had less sense of humor. He positively embarrasses you at times by laughing at your stories until he is red in the face. And somehow that makes the family laugh at you instead of the story. (Laughter.)

His gallant attentions to your wife and solicitude for her comfort keep her in a flutter of delight and relieve you of the necessity of dancing attendance at many tiresome functions.

When you raise your eyebrows questioningly, as the young people pass, your wife assures you, by that feminine instinct which is so unerring, that they haven't a serious thought. That he is just a wholesome-minded boy who enjoys being with a girl who is not a namby-pamby.

There are times, however, when you wonder why he can't get along without telephoning to the house every few hours or writing long letters if he goes out of town for a day or two.

And after a while you notice a subdued and abstracted manner in your child. She is given to long silences and dreamy introspection, while a wistful look appears in her eyes, replacing the dancing joy of other days. She grows fond of you again but with a sort of tenderness you have never known before. She develops an unwonted interest in domestic affairs and tries samples of her cooking on you which you swallow

bravely, remembering early days when her mother put your love to the same hard test. (Laughter.)

These two young people have most unaccountable satisfaction with each other, finding no need for society of any kind—not even yours.

And yet, politely glancing in as you come home at 11 o'clock, you find that they are not talking, seem only to be looking at each other as though they were about to part for years.

It strikes you as amusingly stupid that they do not care to talk, until you recall the summer evening when you sat in your canoe, face to face, with a fair-haired girl and rowed her clear across the lake, the silence broken only when you bumped against the farther shore.

So the days go happily and carelessly along until he surprises you with a request to see you alone and comes to you in the library as though it were a first visit, with a letter of introduction.

Everyone has mysteriously disappeared and there is a sort of funereal silence in the house that makes you nervous, too. You wonder why he has brought his hat in with him. He drops it and you both try to pick it up and bump your heads together. (Laughter.)

Laughter relieves the strain and if you are a good fellow you put your hand on his shoulder, saying, "My boy, I am a mind reader. I know what you want to say and how hard it is to say it. You want to take her away from me and set up a little place of your own where you can dine peacefully without hearing any of my stories. You want to be in a position to beat me at golf without fear of losing my daughter. My dear boy, does she care for you?" And you try to be merry as she appears in the doorway with her answer and kisses you with a sweet tenderness you know too well is half for another. And smiling still you put her hand in his and see them depart in an ecstacy of happiness. And then your wife looks in and you remark: "They haven't a serious thought. He's just a wholesome-minded boy who likes a girl (Laughter) that isn't a namby-pamby." And she gives you a happy, tearful look and a kiss and goes out, too. And when you are all alone you take down a volume from the nearest shelf, cover your face with it and through the mist of tears, read Longfellow's lines, from "Hiawatha":

"And the ancient Arrow-maker,
Turned again unto his labor,
Sat down by his sunny doorway,
Murmuring to himself and saying:
'Thus it is our daughters leave us,
Those we love and those who love us;
Just when they have learned to help us,

When we're old and lean upon them,
Comes a youth with dancing feathers,
With his flute of reeds, a stranger,
Wanders piping through the village.
Beckons to the fairest maiden,
And she follows where he leads her,
Leaving all things for the stranger.'"

(Applause.)

The Toastmaster—There is perhaps no other business in the world where ethics has a finer survey than life insurance. From the agents' standpoint, his ideal is a perfect organism, in which each individual has his place, and is of importance only for the place's sake. The agent exists for his company, and must be loyal to it to insure its advancement. Life insurance is a serious thing. It inculcates the highest virtues and the highest type of humanity. It is no frothy sentimentalism that operates in some way to swing the pearly gates wide open. But whatever brings peace and happiness to others must give grace to live right. This interesting subject will be presented by the gentleman whom I now have the pleasure of introducing, Rev. Joshua Stansfield, who will speak on the "Ethical Aspects of Life Insurance."

Rev. Mr. Stansfield—Mr. Toastmaster, Ladies and Gentlemen: At this hour of the night I question the wisdom of my attempting to give the address that I had thought of giving.

I think it would be something of an injustice to you. I have listened with far more than ordinary interest to the remarkable program that we have already had. A better address, or more able address than that made by President Hughes, it has never been my privilege to hear, and then that autobiography of Mr. Potts' was rich with rare pleasure to the listener. But now the hour is late and I do not think it would be wise for me to give the address I had intended to deliver.

The theme assigned me tonight is congenial to me, and one upon which I have conviction, for with the exception of some of you who have made insurance your profession and life work, I question whether there is a person in this company more enthusiastic for the financially sound and highly moral principle of insurance than I am. If my oldest brother were here

he would say that I was well placed in being put down for any appreciative toast on life insurance. He avers that every increase in salary I have had for the past twelve years I have put into additional insurance, until, as he states it, I am worth more dead than alive. By the way, I haven't had any increase since I have been in Indianapolis, but if one should come at any time I should be glad to talk business with any of the local representatives here, only please don't all come the same day.

With the exception of transportation there is no other branch of business in which there has been such growth during the past fifty years as insurance. I notice in an excerpt from the World's Work this week that there are today some five million of adult males, that is, one out of every three, in this country who carry life insurance, outside of the fraternal orders and the like. There were at the end of last year nearly nineteen million policies in force. This, I believe, is no accident, but the outcome of antecedent forces and life. This marvellous growth of insurance has been in Christian lands and among highly intelligent peoples. In other words, life insurance is a product of Christian civilization. But what is it that differentiates our civilization and our Christian centuries from others? I think it is Carlyle who says that "Centuries are the lineal descendants of one another." So that the secrets and sources of our present are bedded in our past. We often hear much of our nineteenth and twentieth century civilization as if it were a matter of years. Civilization is more than a question of years, or with forty centuries of organized national life China might be first; more than a question of years, or India would have front rank; more than a matter of time, or Spain, Italy or some other powers of Europe would have a higher place.

Civilization is essentially and pre-eminently a matter of concepts, estimates and ideas. Tracing back Anglo-Saxon antecedents in life—and it is amongst this people and their countries that growth of insurance has been so phenomenal—tracing back our life, there appears clear and valid reason for this modern insurance phenomena. From the time of the Reformation in Europe and of Puritanism in England and America we have had a tremendous doctrine of individualism. That is, the doctrine of the worth and rights of the individual man. This is a truly Christian conception, for the glory of the Christ life was this: Not alone that He revealed the Father, but He also revealed the sons of the Father. He not only manifested God, but He discovered man, and wherever the Christian teaching in its purity has gone, human life is enhanced in value, child life has become sacred, woman has

been exalted, the aged have been reverenced, the infirm cared for, the slave emancipated and the inherent rights of man as man set forth. The Magna Charta of human rights has been the open Bible with its teachings of the Christ as to the worth of man. Rome crumbled before it, the bonds of human slavery have melted under it and every form of tyranny dissipated under its light. This virile doctrine was dominant for centuries and touched every part of our life. In religion it ran to the extreme of personal salvation as the only duty of man. So that Bunyan in his Pilgrim Progress would have Christian turning his back on his wife and children and with his fingers in his ears, running for his own safety and crying, "Life! Life!" No modern writer would depict the Christian like that. In racial and national affairs the same idea was manifest. The Pilgrim Fathers, we are told, "first fell upon their knees and then upon the aborigines," and we have kept it up until our disposition has passed into a proverb, "The only good Indian is a dead one." In speaking of the English, Max O'Rell says: "John Bull never saw anything he did not think he had not a right to; he never saw anything that he thought he had a right to that he did not go after; he never went after much that he did not get; and he never got anything that he did not hold on to."

The same doctrine or idea in political economy and business from Adam Smith down has passed into an aphorism, "Every man for himself and the devil take the hindermost." Such is the tremendous doctrine of individualism run to the extreme of selfism. But let us not misunderstand or underestimate this essential truth of the worth and power of the individual. It has fought the battles and established the rights of man as man. His right to think and choose and will and do. Rights intellectual, religious, social, civic. Rights which in their establishment have dethroned kings, changed dynasties, established republics, unseated tyrants, given the imperial powers of citizenship to increasing millions of men. It had its highest civic fruitage in the Declaration of American Independence, July 4th, 1776,—a declaration of the natural, inherent, unalienable rights of man as man. It was under the inspiration and sway of this sublime doctrine of the worth of the individual that there came the Reformers of the sixteenth century, the thinkers of the seventeenth and the spiritual and physical emancipators of the eighteenth and nineteenth centuries,—Luther, Calvin, Zwingle, Knox, Wesley, Wilberforce, Wendell Phillips and Abraham Lincoln.

In recent decades, however, there has been a marked change and the thought of the Christian Church has been not so much the personal rights, but also the rights of the other man, and not alone the personal sonship, but the human

brotherhood. For thirty years past the cry has been, "Back to Christ." And men have come to know Christ and his teachings as never before. We are told that outside the Gospel records forty years ago there was not a life of Christ to be found in any minister's library. Today there are many such, and in recent years as never before men have gone back beyond the conflicting claims of sects and creeds, and Councils, to the words and spirit of Jesus till the question now is not alone, "Are you saved?" but "Saved to what?"

Salvation is now more than a passport for heaven, it is a conformity to the Christ life and spirit. Concern for others, service for others are the hall marks of Christian character. "Bear ye one another's burdens, and so fulfill the law of Christ." "Ye that are strong ought to bear the infirmities of the weak." The high ethics of Christian life is concern for others. "He that provideth not for his own household is worse than an infidel." Now, from this discovery and conception of the Christian truth there has come our eleemosynary institutions, increased benevolent and charitable organizations, fraternal societies, in a word, the Christian life and thought today is pre-eminently social. Men have learned to look not only to their own, but also to the lives of others. Thus it is, gentlemen, that you have the philosophy of life insurance. While ordinarily regarded as a financial and business affair, it is essentially moral, and has its inception in the enlightened moral sense of the Christian age. Life insurance we therefore regard as one of the choice products of the Christian religion and because of its essentially moral character it will increase with the developing conscience of enlightened Christian people. True, life insurance has been regarded by some as a premium upon death and a distrust upon Providence, but all such superstition and error is being displaced by the enlarging ethics of the Christian faith. The highest trust in Providence is to be provident—imitators of God. The truest faith fosters prudence; the purest life, sacrifice and service.

Though I have never been an insurance agent, I have long regarded this as among the "high callings" of a Christian civilization, and as you go forth amongst men in ministering to the highest Christian and manly virtues of broadest citizenship and self denial for love's sake, you are, I believe, among the Nation's first teachers of a high morality. Even though you may write out an application without first offering prayer and deliver a policy without singing a doxology or any other of the established formalities of religious activity, yet this is in itself an essentially moral business, and with you as individuals and as a body, there should be cultivated a spirit of probity, honor, and high moral character, worthy your apostleship.

Now, gentlemen, I am fully aware that this is not the order of address one usually looks for in connection with what is generally held as so purely a business affair as is life insurance. Yet, I am fully convinced that the ethics of life insurance are distinctly Christian and that because your life and existence are the direct fruitage of Christian concepts and ideas. (Applause.)

The Toastmaster—It is customary at the commencement exercises of some schools, to have an oration in Latin. Judging from the title of the subject selected by the next speaker, it is possible to suppose that he may address us in that dead language. But I believe he intends to give us the interpretation in that beautiful English of which he is a past master. The subject itself is one that appeals to our noblest sentiments, and his whole mind and life is so completely saturated with it, that his ability to treat it as an expert is fully anticipated by his admiring fellow-agents.

I have the pleasure of introducing Mr. L. Brackett Bishop of Chicago, whose subject is "Non Solis Nobis."

Mr. Bishop—Mr. President, Ladies and Gentlemen: A friend of mine in Chicago who had heard that I was to speak at this banquet, asked me my subject. I told him "Non Solis Nobis." He suggested that I ought to make it "Non Compos Mentis." He did not intend any reflection on the distinguished gentlemen, to whom I have the honor to speak, but probably meant that it would take less thought to speak on "Non Compos Mentis" than on my chosen subject. (Laughter.)

Some one has said that the reason the Romans conquered the world was that they did not have to learn Latin, (Laughter) and perhaps that is one of the reasons we Americans have taken the lead of the world, because we, too, do not have, the most of us, to learn the Latin tongue. Therefore, you will notice that I have had my title translated into English on the programmes.

"Non Solis Nobis" is the motto of the Life Underwriters' Association of Chicago, and was given to them by William D. Wyman. (Applause.) Long may he live. Perhaps the good work done by the Chicago association has been because we have caught some of the true meaning of "Not for ourselves alone." It is a noble thought and big enough to be the motto of the great and beneficent business of life insurance.

This thought it was that give birth to the first life insurance company organized in America some 150 years ago: the Presbyterian Ministers' fund, which is still in useful operation. The members of the Presbyterian Church desired to provide a fund for the purpose of taking care of their superannuated ministers and their widows and orphans. Not being immediately successful in this, they turned it into a life insurance company. I am glad that the principal thought of the organization of this first company was not money-making for the organizers, but protection for the helpless.

But I must not make this after-dinner speech of mine dry by statistics.

Some one has said "statistics should be seen and not heard." If I give you too many figures, you will be too tired to listen to the rest of my talk; like the Irishman who ate two bowls of soup, not knowing that anything else was to be given him. When he saw the other courses coming on, he said, "Pat, it's the opportunity of your life, and you're full of soup." To return to my subject: Selfishness, I am glad to say, has never been popular, which reminds me of a story of Rabbi Hirsch of Chicago. He was recently riding in a street car, when a lady entered; he rose to give her his seat but a man sat down in the seat instead of the lady. The Rabbi looked rather hard at the man. The man noticed it and said, "You look at me as if you would like to eat me up." "I could not," said the Rabbi, "I am a Jew." (Laughter.)

I believe that the principal reason of the splendid success and the great solidity of the life insurance business is that the men who have been the greatest factors in the development of the business, as well as the millions of men who have taken insurance on their lives, have been inspired in the building of the companies by a greater thought than that of self alone.

The management of some, indeed of most of the old line life insurance companies seem to have been on a higher plane than that of any other business of which I am cognizant. Indeed a man would be hard-hearted indeed, who failed to see and be influenced in his conduct of the life insurance business by the fact that the welfare of millions of widows and orphans are dependent upon the proper carrying on of these great depositories of trust funds.

The millennium has not yet been reached, however, in the conduct of any business, but I need only mention the names of Batterson, Hyde, Greene, Hegeman, Stevens, Shipley, Hall, DeBoer, Carpenter, Ashbrook, Scott, Woodman and Wyman, to show that in the past and right now, men of brain and great heart, too, are foremost in the conduct of its affairs.

Speed the time when the home offices, every one of them,

will not only stand as they always have stood, for safe investment of their funds, but will also stand for new business secured as it should be, without rebate; and when every home office will give its managers such reasonable first-year commissions and substantial renewals, as shall enable these managers to make contracts with their sub-agents on a living basis; but not such large first-year commissions and bonuses as to encourage giving the business away.

The development of some of the sound companies has been one-sided, fine on the investment side, poor in the agency department; sometimes paying such small commissions to its managers as to make it practically impossible for them to secure sub-agents, thus turning the companies into genteel receiverships.

The ideal life insurance company must be broad and harmonious in its development, both in the home office and in the field. And if I cared to, I could give the names of some companies that I believe are approaching to the ideal.

A word to my brother managers; as to the "not for ourselves alone" thought for them. There is an old story which comes in here pretty well:

A mean old farmer—quite a money-maker, employed a number of hands; he had peculiar ideas about feeding them; their principal food being buttermilk and whey. One day, unknown to them, he got behind a hedge and watched them at their work mowing. They were all swinging their scythes slowly and in a listless manner, singing, "buttermilk and whey, weak all day; buttermilk and whey, weak all day." This put a new idea into the old man's mind; he began to see that he was getting the worst of it by giving them poor food, so the next morning, he gave them ham and eggs and proceeded to watch them again. He found them all swinging their scythes rapidly and singing in good loud voices, "ham and eggs, look out for your legs; ham and eggs, look out for your legs." (Laughter.)

How short-sighted is the manager who does not see that his own welfare is involved in his considerate treatment of his agents. And how wanting in sympathy if he does not feel more than a passing interest in the welfare of his men.

I have lately heard Mr. Hoyt, western manager of the Equitable, make an impressive speech along this line. He said when a man starts as an agent of a life insurance company he needs the proper environment for his success, without which he has practically no chance. He needs an able, kind hearted manager and a contract which gives him an outlook ahead, which if he works hard he can see financial independence in the future.

One of the things which is changing and which has got to

be changed still more is the form of contracts given by managers to sub-agents. Many men in the past have had contracts which in case of their leaving the employ of the general agent, or in the event of the death or the termination of the contract of the manager, not only the sub-agent's contracts terminated but all their renewals were lost.

In Chicago recently a well-known manager died who had been many years with his company. On the death of the manager the sub-agents' contracts were completely terminated and all their renewals lost; some of the sub-agents had been over 20 years with the manager. The time is coming when these things will not be; but when the sub-agents will not make contracts with managers unless their interests are guarded with as much care as any one else connected with the business; and when they can feel that both home office and manager in dealing with them are actuated by the grand old motto, "Non solis nobis."

Outside of life insurance, too, the work of life insurance men is and should be felt.

Some of our best men are being called into public life. Senator Dryden, president of the Prudential; Congressman Goulden, New York manager of the Penn Mutual; President DeBoer has refused recently the nomination for governor of Vermont, and I do not know how many more of us have refused offices of the same kind.

The lessons of conservatism and care for others learned by all of us in the life insurance business are being used by life insurance men all over the country as treasurers or on the boards of directors of churches, schools, charities, hospitals and in many other important works for humanity; and I believe the good work will go on " 'Till each man finds his own in all men's good; and all men work in noble brotherhood."

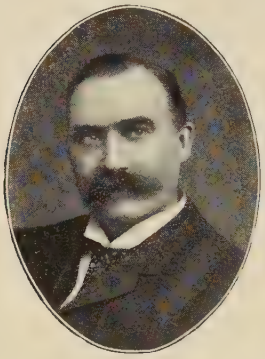
These last are noble words; and if we cannot remember them, we can do something better,—"transmute them into deeds." (Applause.)

The Toastmaster—While no battle can be fought without the men behind the guns, it is equally essential that able officers shall wisely direct. It isn't the furious fight that always wins, but rather the steady, onward march, and that requires true generalship. In our warfare we do not make orphans and widows, we protect them, and this beneficent work requires tried soldiers and able generals. The officers of American life insurance companies have justly earned this high distinction. We are favored by having a number of them as guests of our convention, and I shall call upon one whose remarkable career as agent and officer has given him enlarged opportunities for knowing that it is the best business in the world. I have the

pleasure of introducing Mr. Moore Sanborn of New York, who will respond to the toast, "The Best Business in the World."

"For the structure that we raise
Time is with materials filled." (Applause.)

Mr. Sanborn—Mr. Toastmaster, Ladies and Gentlemen: For me to continue this stream of oratory would be an illustration of the schoolboy's famous essay on capital punishment.



He said that "in Russia they kill with the knout, in China with the sword, in France with the guillotine, in the South by lynching, and in the North with after-dinner speeches." (Laughter and applause.)

Still, I am here to do my work, and we are accustomed in the National Association to follow the orders of Mr. Register, whose affability, ability and knowledge of men are well known throughout the length and breadth of our land. Mr. Register has said that I have had something of a career. I have just had an illustration of the ramification of the wonderful experiences of some of the gentlemen connected with this association. Up in Chicago last Saturday, I picked up one of the evening papers, and upon it I found across the third page in great block letters three inches high, "WARD Meetings Everywhere,"—and I said, "That is just like President Ward. He is pretty near omnipresent in association work." Looking below, I found a still more remarkable statement in a line reading,—"REGISTER in Fourteen Hundred Places in Chicago Today." And there I found a list of the places where our toastmaster had been in one day, ranging from the borders of Dowie's Zion on the North, to the heart of "Egypt" on the South. That was certainly pretty rapid work for a Philadelphian. (Laughter.)

I regret exceedingly that in my stead tonight you have not some orator from the New York Life Underwriters' Association, for we have many brilliant speakers there. I am told some strange phenomena have been discerned on certain winter evenings in our suburban villages of Philadelphia, Boston and Albany. It is said that the statue of William Penn on the top of Philadelphia's city hall at such times raises its right arm, placing its right hand behind its ear, as though to catch the charm and sweetness of the dulcet sounds that come from

the city at the mouth of the Hudson; while over in Boston, the sacred codfish, poised high in the air above the gleaming dome on Beacon Hill, wig-wags its tail and fins, in token of high ecstacy as it hears streams of eloquence come pouring from the great metropolis; and up in Albany, the "Sage of Wolfert's Roost," standing on the porch of his home, looks down the shimmering line of the Hudson with a sardonic grin of glee on his face, rejoicing in the oratory that is borne up the river past Esopus to greet his listening ears; and I can assure you on my honor that these phenomena have never been witnessed save on nights when the great speakers of our New York Association have been entrancing their listeners with their brilliant periods. (Laughter and applause.)

It would have been pleasant for me to have spoken tonight of the greatness of the life insurance business, and had I the power Gladstone was said to have possessed "to make figures sing," the recital of the statistics of this business would evoke sweeter strains than ever burst from the stony lips of Memnon or ever came from the inspired voices of a Patti or a Lind.

The legal reserve life insurance companies of this country have at risk today between ten and twelve billions of dollars, protecting millions of homes; they hold in trust for their policy holders two and one-quarter billions of dollars, and are distributing yearly to their policy holders or beneficiaries in dividends, cash surrender values, and by maturing policies, two hundred and fifty millions. The annual income of these companies is greater than that of all the railroad systems in the United States, and in eighteen months that income, as Mr. Lanier has shown in a recent magazine article, would be sufficient to pay the entire national debt of the United States. Every other second during the busy months of the year a new policy is being issued to protect some life by these companies. The beneficent mission of life insurance is so well known that the world has been busied in wearing a beaten track to its door. It has lighted its beacons of hope on every hilltop and placed its sentinels to protect the homes of every valley. The wise men in the old world believed this globe to be geocentric, that is, the earth was its center; later it was learned that the world was helio-centric, that is, the sun was its center; today, in the empire of finance, we have become insuro-centric, with life insurance as the central orb.

There are really but two classes of men in this country, today—those who sell, and those who buy, life insurance; and if I am reminded by some one who is critical that there is apparently another class made up of those who affirm that they can do better with their money, or that, owing nothing to posterity, since posterity has done nothing for them, they

need make no sacrifices to provide insurance money for posterity, I answer that such persons only appear to be men. They are instances of retarded development in mentality; the great process of evolution has swept by leaving them in some dark period of the world's history. They are still in a tadpole state of existence. Search them and you will find they wear caudal appendages. There are a few, however, who, like the Amish and the Mennonites, refuse to purchase life insurance because of religious scruples, affirming that it is gambling or is a proof of lack of faith in Providence, or is not justified by Bible teaching. As our good friends who have just spoken, Drs. Hughes and Stansfield, will tell you, such men lack knowledge of their Bibles, of the work of Providence, and are, in their conclusions, irreligious. There are some passages in Scripture that cannot be understood without a life insurance commentary. For example, Solomon, "the Wise," said, "A good man leaveth an inheritance unto his childrens' children." The life insurance commentary tells us exactly how the good man can leave the inheritance. Paul, in writing to Timothy, declared that "If any provide not for his own, specially those of his own house, he hath denied the faith and is worse than an infidel." Here comes in the commentary carried by the life insurance agent, showing that while the church lives to rebuke and cure infidelity, the mission of our business is to prevent that which is worse. James, the practical Apostle, in giving a definition of religion, said: "Pure religion and undefiled before God and the Father, is this: To visit the fatherless and widows in their affliction." Life insurance tells exactly how and when and why to go to the fatherless and the widows and what to carry when we go. If the Bible records the wonderworking beneficence of Providence in ancient days, life insurance is a most marvelous exhibit of the same Providence working for human welfare in modern life. (Applause.)

This business has grown until it has penetrated the recesses of the Dark Continent and is found everywhere human life has grown sane and safe. "Morality," said Mrs. Leslie Carter, "is only a matter of geography." Such a statement sounds a little strange and certainly could not be truly made of life insurance which knows no geographical lines, having broken down all barriers of separation between states, nations, and races. We are just at the threshold of its development. So broad is this business that it has no horizon; so profound that no plummet of human thought can fathom its depth; so true and high that whatever variations may appear, whatever false notes or discords may be sounded, its theory and application will persist forever. Its diameter is one of the universals; its circumference no man can conjecture.

Should I attempt to bound it tonight, I could but use the expression of the Englishman who declared that the United States was "bounded on the North by the North Pole; on the East by the Rising Sun; on the South by the Southern Cross; and on the West by the Day of Judgment."

But it is not of the greatness but of the goodness of the life insurance business I am to speak. That it is the best business in the world is clearly indicated by two facts well known to all who are engaged in agency work. First, the multitude of good men coming from other professions and lines of business to enter our ranks. Our regiments are being recruited from the clergy, college professors, physicians, lawyers, merchants, and newspaper men, and a host of occupations we have not time to notice; second, wherever you find men of prominence in other professions or businesses addressing a gathering of life insurance men they always admit that life insurance is second only to that in which they are engaged. And it is pretty good proof that a business stands first that is admitted by representatives of all other occupations to be no less than second. (Laughter.)

But speaking seriously, is it not true that we may ransack the realm of human endeavor and nowhere find a business whose motives and mission make more for the betterment and uplifting of mankind? It touches the state by removing poverty, and transforming its delinquent classes, and lessening its burdens of taxation. It enters the home and floods it with the white light of independence; it comes to man adding to his hope and courage, thereby enabling him better to cope with the struggles of life; it lifts from woman her Atlas burden of fears for her future; it takes childhood from its cradle to walk the path of opportunity and achievement. (Applause.)

In bringing to you reasons why I believe this to be the best business in the world I shall tellyou only what I have seen, believing, like Ruskin, that "The greatest thing a man can do in this world is to see something, and then tell what he has seen." This is the only business, so far as I know, whose errors and evils, ills and mistakes have made for its enlargement. It has marched forward not only in spite of, but often because of things connected with it which we deplore. Everything human is imperfect. "The trail of the serpent is over all." There is no landscape without its shadow. There is no home without its creaking skeleton. There is no heart that does not hold a grave over which the grasses greening grow. There is no mind through whose corridors ghosts do not walk that will not down at human bidding. Behind every party platform lurks the spoilsman's creed of graft. Every business has its taint, as every church has its hypocrite. We are accustomed to measure

men not so much by what they have attained as by what they have overcome. The question is not where they stand today, but, where did they start? He who rises in spite of unfortunate heredity and evil environment, making stepping stones of his own passions and weaknesses, until he stands conqueror on some peak of high enterprise, we hail as strong and good. We may measure our business somewhat by this standard. It is unfortunate that life insurance agents will misrepresent the contracts they sell; that they will delude men into believing they are buying something that is not in the market at all. We have laughed during this convention at the idea of men being led to purchase non-participating reversionary additions, or being persuaded that an ordinary life, 20-year tontine policy is a 20 payment life annual dividend contract, yet we know, not only that the practices of misrepresentation are flagrantly followed in the field, but that because of them many a man is led to purchase something needed by himself and family. Another illustration of my thought is found in that perennial theme "rebating." Against it companies have launched their anathemas, and legislation has fixed its penalties. The "rebater" has been held up to scorn in our profession, as Hawthorne put Hester Prynne high up on a pillory, with a crimson letter blazing on her breast. Still, men will and do rebate. The practice, like the poor, we seem to have always with us. Without condoning in any degree this offence, because with you I firmly believe that every honest agent deserves and earns the full commission guaranteed under his contract, is it not true that there are thousands of homes protected by life insurance tonight that might not have been were it not for rebating? Take another evil, that of "twisting," a subject so abominable that we do not care to discuss it. There is a certain animal that we are afraid to touch unless we want to bury our clothes. The "twister" going to and fro through the earth singing:

"Captain Kidd, whatever he did,
Was a Sunday-school scholar to me,"

seems to have no regard for the truth except to commit assault and battery upon it. He has no more appreciation of it than an owl has of astronomy nor than a turtle has of a treatise on theology. Taken at his best, his conduct fatigues our indignation. Had I the power of an artist to wield the brush of a cartoonist, like Davenport or Opper, I would paint him as a Judas betraying with a kiss in order that he might hold in his hands a few paltry pieces of silver as the price of his betrayal of innocence. But he has not materially injured our business for, while he has wrecked the applicant's confidence in one company he has planted confidence in another, though he has compelled the "twisted" policyholder to pay a large

price for his new loyalty. A "twister" deserves to be twisted out of our business and I know of no object connected with it so wholly contemptible. (Applause.)

The question of the modern scheme of taxation of life insurance companies with the increasing tendency to place an onerous burden upon them was brilliantly discussed by Mr. Temple yesterday. There is no more dangerous thing connected with the development of our protective enterprise than this tendency to lay burdens of hardship upon our policyholders through the operation of modern methods growing out of the ignorance and cupidity of legislators. So varied are the laws of the several states as to life insurance companies and their taxation, that it was stated in a recent insurance commissioner's convention that to codify and unify the laws now existing would take a committee an entire year. It cost our American companies almost nine millions of dollars last year for taxes and licenses. What is the use of this tremendous drain on their resources? In almost every state, churches are exempted from taxation. Why, because they stand for the purification and uplifting of the community and our homes. We do not tax our schools; we tax for their support. Why, because they stand for the betterment and enlightenment of childhood, assuring larger opportunities of usefulness for the men and women of coming generations. Does life insurance do less? Instead of multiplying laws for the taxation of our great insurance corporations, I believe it to be far more reasonable and in accord with the policies of protection of American taxation to pay them bounties. Why, in some states, bounties are paid for beet sugar; in Louisiana a bounty is paid for cane sugar; and in Vermont a bounty is paid for maple sugar. Does not our insurance business that stands for the sweetness of everything that is best and highest in human life, deserve to receive a bounty instead of being heavily taxed? Should the state, which is, in the last analysis, the chief beneficiary of the colossal good rendered by American life insurance companies, bleed them of their strength, heavily tax their resources, and diminish their dividend earning power? Because of a tiny tax placed on tea by King George, the patriots of Boston more than a century since made of Boston harbor a mammoth teapot. If the policyholders of our companies really understood the needlessness and wrong of our present method of taxation, they would make every river between the two seas, and every lake from Duluth to the Gulf white with the pages concerning insurance taxation torn from our statute books. If, in all our scheme of taxation, there is one place where legislation should be compelled to keep its hands off, it should be when it attempts to touch the rights of the vast army of policyholders of this country, whose interests have been, and are being, unwisely

attacked by the systems now in vogue. Yet we all know that our business has intrenched itself in the confidence of the people largely because they have believed that the supervision of the several states conserves their interests and protects their rights.

There is another mistaken notion connected with our business that has both retarded and forwarded its development. I refer to assessmentism. When I entered the business of life insurance fifteen years ago, assessmentism was riding its windbags, striving to scale the "Empyrean of Success," as Carlyle might say. With its slogan, "Keep your reserve in your pockets," it boasted of its ability to destroy legal reserve life insurance. Its claims are today discredited. Nearly all the business assessment associations have been buried in the cemetery wherein lie all false systems of finance, a few only having been wise enough to hoist the flag of truce, marching to the camps of legal reserve companies and asking to be enrolled with their regiments. To those who have thus come, seeking to turn from their evil ways and bring forth "fruits meet for repentance," we have extended the hand of help, wishing them prosperity in their new career. Today, we have a multitude of fraternal assessment associations. Of them I would speak very kindly, for, with their six billions of temporary insurance in force, millions of homes are deeply interested in their welfare. But is it not true that the leaders in these respective associations see the pit toward which they are trending, understand the inadequacy of their rates, and are appealing in some cases to the insurance authorities of the several states, praying in substance the old prayer of Chrysostom, "Save us, in spite of ourselves?" There is nothing more beautiful than fraternity, nor is there aught more dangerous than fraternity when fastened to a formula of failure. The noblest fraternity cannot successfully resist the laws of mathematics and mortality. You remember in Shakespeare's "Midsummer Night's Dream," how beautiful and bewitched Titania fondled the face of Bottom, the ass, stroking its long ears, looking into its unknowing eyes, kissing its hideous forehead, hearing in its bray, harmony sweet as ever swelled from angel's lips. So have we seen fair-faced fraternity fondling assessmentism, hearing in its bray, "legal reserve is useless," wisdom as great as ever fell from the lips of a Socrates or a Franklin. But assessmentism, with its weaknesses and wrongs, has been an educator for legal reserve life insurance, and thousands there are who stand within our ranks protected, having been educated to appreciate what we offer, by assessment association.

In the Edda we are told this story: One night Thor went to sleep under a wide spreading tree by the side of the giant Skrymir. Soon the giant slept and snored so loud as to awaken

and enrage Thor, who, taking his magic hammer, struck a fierce blow upon the giant's forehead; but so strong were the bones of the giant and so fractureless his skull, that the blow made no impression except to waken him, when yawning slightly, he said, "Did a leaf fall on me?" To the greatness and strength of legal reserve life insurance the things of which I have been speaking have been felt but as the falling of a leaf.

One proof that this is the best business in the world I find in the high quality of the men who have been connected with it. Humanity is the only sacred thing on earth to all whose deity is not dirt. Man is the tallest being beneath the bending skies. Jungfrau, lifting its mighty masses above the clouds, is great; but greater is the man who, standing at its base, measures its altitude or plans a pathway for the iron horse to climb the rails of steel up its steep declivities. Guyer-zeller is greater than the Jungfrau. The ocean, moon-moved and tempest-tossed, symbol of infinity and omnipotence, is mighty, but mightier is he who stands on its shore, where the surf plays tag with itself over the silvery sands, and dreams of teeming cities on its farthest boundaries, and of his ship that shall sail o'er all its surface. Columbus was mightier than the ocean. Man is greater than any business, for out of the warp and woof of his brain have been woven all the processes and methods of every business. We should measure a business by the men engaged in it, not men by the business in which they are engaged. By this high standard examine life insurance and you will find it is weighed in the balance and not found wanting. Ever has it been what Madam Roland called Plutarch, "a vast pasture for great souls."

Let me recount the names of a few, some of whom have been mentioned here tonight, whose lives have been given for the upbuilding of our business. Take Hyde, that Cromwell of commercialism, whose brain, specialized for initiative and organization, laid the foundation of a mighty institution that should live and do its beneficent work when yonder beautiful monument shall have crumbled into dust. Take Homans, who marshalled facts and figures as did Napoleon platoons. Or Hegeman, whose huge head has been a vast workshop in which great matters seethe and surge toward success. Or Batterson, pugnacious and progressive, sometimes in the excess of his strenuosity tilting at windmills, yet ever like one of the Puritans of whom Macaulay wrote, that "no one ever sneered at them who crossed swords with them on the fields of battle, or met them in the halls of debate." Or see, if you will, those grand old men of Boston, Stevens and Rhodes, who, refusing to die with their generation, have lived to blend the best of yesterday with the truest of today. And there is that sage and patriarch of insurance in the land of "steady habits," Greene,

whose scholarship is only exceeded by his sense of right, or his indignation that the word, "tontine" has invaded the English language. Or Dryden, the president-senator, who imported the idea and name from England without paying duty on it, and from the smallest beginning has built an institution whose fame rings through the world, and who has made a big Mediterranean bluff better known in the United States than any mountain rising toward the skies between the Atlantic and Pacific. Or Tupper, that young leviathan of the Pacific, who, like one of Spencer's "sea-shouldering whales," rushes up and down the coast of California, holding Ibsen and the actuary's tables in one hand, while with the other he hits the bull's eye of top records for new companies, as easily as the bad man of the mining camp perforates the fashionable derby worn by the late-coming tenderfoot. Are these and two score others whom we might mention, one whit less in powers of organization and executive skill than the great captains of industry? Are they not equal to, and fit to be pedestalled with the wizards of science, invention and achievement, whose honors all men love to sound? Is it not one of the glories of American life insurance that the great men whose lives have been dedicated to its high emprise have been in character and capacity fit to stand in the halls of fame with the highest and best men of earth? These men have hitched their wagons to a star and sought to draw the world up after them. They have had the spirit of Wilberforce, of whom it was written,

"He went up to heaven
Carrying eight hundred thousand fetters in his hands."

But let me come a little closer to your thought tonight and bring to you some of those of other days who sat at a banquet board like this, by our sides. I will mention but few, because your minds have already outrun my sentences. There was Carpenter, our first president, and Ben Calef, and Ben Williams, and, as I speak, I seem to see at my right the benevolent, beaming face of Col. Ransom, rejoicing in the prosperity of this association which he did so much to found; and by his side, as he always loved to be, do we not see the white-whiskered face of D. N. Holway? And there are others whom we reverence. If I call, will they come? If I look, shall I see the beauty and brightness of their faces as of yore? If I listen, shall I hear the charm and sweetness of their brotherly counsel as in days gone by? Nay, envious time hath reversed the cup and spilled the wine of life upon the ground; but so long as memory endures we shall recall the names of these, our fallen brothers, and believe that the business to which they loyally gave the strength and ability of their lives is nothing lower than the best. (Applause.)

But another step forward, if you please. What of the rank and file of the men who make up the great army bearing our banners forward at every cross roads and in every hamlet, city and street of this broad land? What of these missionaries who busily herald abroad the gospel of home protection. Ours is an imperial business. "But," said Lord Roseberry, "an empire is of little value without an imperial race." (Applause.) We know him as an agent—the man with the rate-book—a company's best asset, because all other assets are predicated on his loyalty and energy. Opulent in optimism and originality, and operator in both he has to be. An apostle of antipoverty, arsenalled with arguments for the bettering of society and the home, he is. Bearing the brunt of struggle in the thickest of the fray, doing his work ofttimes in deep discouragement, lonesome and heart weary, with courage ebbing, he often is. What of his character? Nothing succeeds if character fails. We know he is no lotus-eater. He has not been vaccinated with innocuous desuetude. The smell of chloroform is not upon his garments. He is the incarnation of American hustle. But is he to be trusted? We know the wonders he has wrought. His monuments are the great companies his toil has built, and the thousands of homes he has flooded with hope and help. As was said of Sir Christopher Wren, "Would you see his monument, look around you." But with all the wealth of his accomplishments as a witness of his ability, does his character give clear testimony to the goodness of the business in which he is engaged? Pardon a personal word as to my competency as a witness. For fifteen years it has been my business to travel to and fro through this land meeting the life insurance agent. I have fished with him in Newfoundland; sailed with him over the placid waters of the Pacific at San Diego; viewed with him the crest of Mt. Tacoma, and have eaten oranges by his side on the banks of the Ocklawaha. In a thousand cities and villages, from Halifax to Seattle, I have eaten salt and broken bread at his table. I am free to admit that he is not impeccable. Should I affirm this my testimony could easily be impeached. Often we find our noble confidence in him wasted on his ignoble conduct. Some times we feel with Father Gerard of the French Revolution, "I think there are a good many scoundrels among us." Freely we may admit much of his doing is misdoing. But granting all his flaws and foibles and follies, what may we say of the standing and reputability of the average insurance agent? He is close of kin to the heroic spirits who have bettered the world, making it a vestibule of heaven. We sometimes think of heroism as an obsolete quality in life. We go back to view it to Marathon or Thermopylae, or come down to the heroic spirits of our

Revolutionary fathers, admire the men of the Alamo, or huzza over the deeds of those who marched under the stars and bars, or the stars and stripes, in our great fratricidal struggle. But heroism is here as well as there. It floats in every breeze that stirs the valley airs; it shines in every beam of light that strikes upon our hills.

Years ago in San Francisco I met a Scotch lassie, who, for fifteen years, has been giving her life to rescue Chinese women from the most terrible slavery that ever existed on American soil. A score of times the highbinder's knife had been at her throat to slay; over and again the pistol has been loaded for her death; but, daring the powers of the six companies, she has lived for her sex, content, if once in a while she can rescue some girl from the Orient, out of her haunt of awful shame. Of the stuff the heroes of ancient and modern days were made is the average life insurance agent built. You cannot sum up the scope of his life with epigram or elegy. Often has he been baptized with the spirit that possessed the men of the Alamo, old Father Damien at Molokai, and the Scotch girl of 'Frisco. Take the great spirits of all time who have wrought for "God and home and native land," and introduce the life insurance agent who conscientiously fulfills the task he has assumed. He stands in their presence, unabashed and unafraid. He is close of kin to them. He belongs to their company. His mission, like theirs, touches the apex of altruism. You may think I am carried away by momentary enthusiasm for him in my encomiums; but I do speak my deepest belief, and, like Lord Clive before the British Parliament, speaking of the loot of Bengal, affirm that "I am astonished at my own moderation." Many a life insurance agent whose name is unknown has been caught in the swing of a great moral passion. He has touched the hem of the garment of the highest. His work is transfigured by the light that shines from the throne of the infinite and immortal. Such a man honors his work as his work honors him, as he goes forth stretching his Aaron's rod of blessing over the hungering hopes of life. He who pushes our business up the steep slopes of prosperity, oft marking the way he has trod with bleeding feet, merits the highest praise. There is no finer class of men today walking and toiling under the shining sky than is the average life insurance representative of one of our great American companies. Proudly and truly he may say with one of Scott's heroes:

"If thou sayest I am not peer
To any Lord in Scotland here,
Highland or Lowland, far or near
Lord Angus, thou hast lied."

(Great applause.)

This business that we name "the best," represents the finest form of financial co-operation. It is an evangel of emancipation from the isolation of individualism. For ages a sense of the solidarity of man has been filtering into the world's consciousness. It took thousands of years to teach us that God is one, and thousands more for us to learn the lesson that man is one. Countless generations have swept by while humanity was crossing the vast distance between me and we. From egoism to omniism was as far a journey as from an atom of protoplasmic slime quivering in sunless seas to a babe in its mother's arms. Here and there, through the aeons of time the seer, sage, and singer, in literature, has seen the shining of a great light of hope, and speech has been stirred in expression of dreams of better days. Read Plato and More and Campenella and Harrington and Rousseau and Robert Dale Owen, our own Bellamy, or England's H. G. Wells, and you will find them groping for the solution of the problems of social progress and co-operative life. Study the great poetry of the past, and here and there you will find glimpses prophetic of days when o'er all the world men shall brothers be. In our own country, made possible by the co-operative zeal of the thirteen colonies, saturated as it is with the spirit of the Declaration of Independence, many experiments in communal co-operative life have been made. Witness Oneida and Harmony, Brook Farm, and Economy, Ruskin, and the Shaker communities of Alfred, Canterbury, and Lebanon. These all were attempts in social expression of human brotherhood and the possibilities of co-operative work. Echoes were they of the teachings of the first Christian century, when the early disciples held all things in common. Yet they faded and failed as iridescent dreams, because sentiment and sense were not properly mixed in their inception and administration. Today man has advanced farther in knowledge of himself and his environment, and has left the narrowness of his ego concept far enough behind to make lasting co-operation a near possibility. Modern civilization is largely a Lend-a-hand Society. It is striving earnestly to make this "star of suffering" a place of hope and happiness. Not only in sociology, that highest of sciences, but in the realm of finance co-operation has become a word to conjure with. Said a great English jurist recently before the American Bar Association: "Combination and co-operation are the watchwords of the opening century." James Stillman, president of the most powerful bank in the United States, declared last month, in his speech before the American Bankers' Association, at its annual meeting in New York, that "Co-operation in finance is the key-note of this century." This man, who directly and indirectly controls more

millions than any other banker in America, soberly stated that the business interests of this country are leaving the waste and costliness of competition, coming together in great enterprise for mutual protection and greater profit. Without question his statements were true; but I submit to you this question: How have the small investors, whose company is made up of the average man, fared from the great combinations in finance, which have marked the past few years? This is no hour for pessimism; yet the perfidy of some of the big corporate combinations toward their shareholders is in startling contrast with the record of the life insurance companies of this country in their treatment of their policyholders. Read the history of Asphalt, the Universal Tobacco Company, the Bay State Gas, Amalgamated Copper, the Ship Yard Deal, Consolidated Lake Superior, the United States Steel, and compare with them the story of the three-score legal reserve companies that have stirred American finance with a blazing galaxy of unswerving integrity, complete honesty and unfaltering fidelity. Take all the financial enterprises of the past twenty years where the average man has had a chance to put his savings with those of his comrades, that thrift might guard against the terror of the wolf. Against one-half of them you may write the words, "Ichabod" or "Nehustan."

Over one half of those remaining place a colossal interrogation mark, and except the savings banks and a few building and loan associations, what have you left but the life insurance companies? (Applause.)

Life insurance offers to thrift and a desire for protection unmatched co-operation. Here is a young man who desires to save; on his life depends the welfare of wife and children. Ever with him is the fear that he may break down, bringing upon them the woes of loneliness and poverty. He becomes insured, and immediately is transformed from his loneliness to become a member of a vast brotherhood. No longer does his family lean for protection upon his single life. Ten thousand or one hundred thousand lives are combined to shield it. His yearly payments with theirs goes into a common fund, accumulates at compound interest, and grows, enabling him to save for future years. He can walk confident and upright through the world doing his work man-fashion, no longer pursued by the haunting fear of what may come. Remembering her whom he has sworn to honor and protect, or those, whom by ties of fatherhood he is bound to care for, and knowing that any hour his life may be ended, he can still sing serenely:

"I steadier step when I recall,
That though I fail, they cannot fall."

For he knows that if he must lay down the work of life, from

thousands of men scattered from Maine to California, from the Lakes to the Gulf, will come through the channels of his company, that co-operative contribution, that will help take the place of his earning power. A life insurance company is like a mighty reservoir. Its treasury is the basin into which flow thousands of streams trickling down the hills, that which, filtered and settled, and purified, can be used in some far away city to meet the needs of a millionaire's home or a poor man's tenement.

Another reason why I believe this business is the best business in the world is because it is the most perfect preservative known to the highest institution on earth—the home. On it its action is dual, being both asceptic and antiseptic. Another has said: "To Adam and Eve, Paradise was home; to their descendants, home has been Paradise." The church is not the highest place on earth. This is a most Christian land. Its skyline bristles with crosses and spires. But I say to you, you may rear your massive walls of marble or granite; put costly chimes in yonder belfry; spend unnumbered thousands in memorial stained glass windows; put the finest organ that the organ builder can make, in yonder loft; crowd between these walls all the luxury and beauty that the most aesthetic worshipper can demand; dedicate with pomp of processional and recessional, with mitred bishop and gowned clergy; peal your anthems; recite your litanies; sound your jubilates; and when you have done all, you have built and prepared only an annex for the home. Nor is the school first and highest in the development of human life and in the expression of human greatness. We believe in education in this country. Since the Pilgrim Fathers at Plymouth placed a schoolhouse between the home and the church, to educate our children and to educate them well, has been the beginning of our social "Credo." Ignorance is the American devil, and, as Luther threw his ink bottle at Satan, so we have been hurling copybooks and school books, the three R's, and all the processes of education at ignorance to drive it away. We have packed our schools and colleges with all the paraphernalia of learning that teem with incentives to inspire and increase study. (Applause.)

Only last week I visited in Chicago the Wendell Philips School, beautiful and costly in architecture, with its physical, chemical, and physiographical laboratories; its swimming pool and lunch room; and, contrasting it with that rude, unpainted one-room schoolhouse in the corner of a cemetery on a bleak hillside in New Hampshire, where I began to master the alphabet, I saw something of the advance that we are making in trying to interest and instruct childhood; but when architecture and invention and the wisest teachers come together in

a schoolroom with all their costly appliances of learning, you have built only a supplement to the home. Professor Maxwell of New York, was right when, in St. Louis, last month, he affirmed that it was useless to send children to school and try to elevate them into good citizenship unless the homes out of which the children come are right. (Applause.) Nor is the State the highest institution on earth; whether it be built on Monarchy or Democracy. Erect your State; have all its legislative and executive functions the best possible, lubricate all its machinery with high loyalty to the people's weal; let the process of progress in government be finely adjusted and fairly executed; root out the looter; drive out the grafter; let purity of purpose and wisdom and high thought for the welfare of the common people prevail in noblest measure; and when all is done and you say, "Behold the State, this high expression of the people's will," you have only created an environment for the home. "'Tis the hand that rocks the cradle rules the world." Out of the home, where the mother sings her babe to sleep with a lullaby and soothes it with a kiss, comes the power by which church and school and State are swayed and governed; on it, as on a rock foundation, stands the whole fabric of our civilization; if it crumbles all are crushed. There dwells woman, becoming humanity's high priestess as she brings to the babe her birth; there comes the child to be cradled and caressed, whose cry and coo makes sweetest music that falls on human ears; there man finds his refuge and his inspiration for high endeavor; there, on his higher nature, is broken the alabaster box of precious ointment, and over the feet of his lower nature stained with the dust and mire of the street, love bends to wash them white with her tears, and wipe them dry with the flowing tresses of her falling hair; there is heard the rustle of the angel's wing; there speaks the voice of God in the cool of the day; there all the noblest hopes of life break into bud and blossom into beauty. But against this home with its precious contents disaster may launch its thunderbolt. Sickness may come; there is insurance to meet its necessity. Accident may come; there is insurance provided to offset the impairment of earning power. Fire may come; and there is insurance so that another home may be built above its ashes. But two evils there be for which life insurance is the most perfect protection. One is the necessity of penniless old age; the other, death of the bread-winner and home builder. (Applause.)

On the Western porch of life I see an old man and an old woman standing, looking through tearful eyes on the descending sun. They have fought their fight; they have nearly finished their course. Love for each other has climbed the crannied walls of their hearts; the songs of other days are silent

and the faces of old friends have vanished. Before them rises the fear of separation, and, it may be the walls of the pauper's home. In the bitterness of their extremity they repeat the sad refrain, "Old, and only in the way." The other disaster is death. The strong man is stricken down. The coffined treasure is borne through the door, way down the silent street. At the grave the last solemn words are spoken, and with the sound of falling clods in their ears, the widow and orphans go back to their desolate hearth to face the struggle for a livelihood, bereft of the life that has made sanctity and support of the home possible. How shall these two disasters be averted from the home? The answer shall not be charity. Charity is not a normal function of society or the State. To give a crust of bread to a beggar or to empty the purse to a friend is not an expression of altruism. Charity may help and bless the giver; but it seldom helps and blesses the receiver. The old scripture is true in more senses than one—"It is more blessed to give than to receive." Nor can we trust in that old principle of economics, called "the law of supply and demand." Herbert Spencer has shown in a chapter in his "Man Versus the State" how wonderfully adapted is this law to make provision for all human necessities. Clearly he depicts the great city of London, with its millions needing homes, food and clothing, the demand for these being met by supply provided by corporate or individual industry and enterprise. To read this chapter would be convincing proof that nature had made automatic provision through the law of supply and demand for the quenching of every thirst and the satisfying of every hunger. Yet, if you will read Jack London's "People of the Abyss," you will find that in this same London one million eight hundred thousand people dwell on the border or below the line of absolute necessity, while one million more live with only a week's wage between them and suffering; that one out of every four adults dying in that great capital of civilization has to be buried at the hands of public charity; that down in the underworld is a vast shamble where swelter and seethe a festering mass of besotted and imbecile humanity. Demand is hungry, and supply proffers it no food; demand stands in the chill wintry wind unclothed, and supply offers it no raiment. In the two great crises which attack the home, life insurance offers a protection that neither charity nor the law of supply and demand alone can give. Blending charity and justice, financial co-operation with supply and demand, and the equations of life with individual hazards, as the colors are braided in a single ray of light, its endowments give old age freedom from care; while its contracts, matured by death, keep secure and safe the homes over which its flag,—never

lowered nor half-masted,—has floated proud and free. (Applause.)

In conclusion, we may remark that this is the only business born of human thought that conquers the worst consequences of death. In the oldest Christian writing extant it is written, "The last enemy to be conquered is Death," a prophecy of a day when the pious proverb, "There are remedies for all ills except Death," shall have lost its meaning. Death is as natural a process as life. Though universally treated as a foe to happiness, faith, with its sublime vision, sees in it but a passage to another and better world. Viewed by reason and philosophy, it is not to be dreaded nor deplored,—but many of its consequences are. To the worst of them life insurance ministers and provides a cure. We are all familiar with the mathematics of mortality on which life insurance is predicated. But I do not mean by conquering death the substitution of money as the equivalent of an earning power lost to the family or the State. In a sense death is overcome when the waste and impairment of extinguished money earning power is repaired by the operation of the law of averages through life insurance. Our business, however, provides for a conquest as much greater than that, as man is higher than the money he coins. Nor would I be understood as teaching that the payment of any partial or complete equivalent for a life's future earning power can cure the sorrow and heart ache that follow,—chained to the chariot wheels—of death. Go to a widow in the extremity of her grief and say, "Here, Madam, is the money your husband would have earned had he lived out his expectancy. Do not weep for him longer," and you have blasphemed against that holiest, costliest affection Heaven has given to earth—a woman's pure, undivided and stricken love. Filling the hands will not empty the heart of its ache. God has other cure for sorrow than gold. Time will dull the edge of the keenest pain; but all the piled-up treasures of the universe will not avail to stop the flow of a single tear. "Live sorrows are worse than dead ones." Memory may become our dearest friend when present experience and anticipation press upon us the terrors of a thousand ills. Retrospect is all that cheers a multitude who walk with blighted hopes and blurred prospect. Poverty is one of life's supreme ills. Its grind and bitterness wrecks all the finer graces of woman, and dwarfs the development of her child.

Bread sorrows; the struggle for existence, the carking care and ceaseless worry; the loss of shelter and the dread of need—these, and the legion of their like, which follow in the train of Death, life insurance was born to conquer. I saw a woman from whose side a strong man—her idol and support—coffined,

had been carried out of the home love built, to God's acre. All the years since she stood at the white altar of marriage, she had lavished on him the wealth of a surpassing affection. For her,

"Love took up the Harp of Life,
Smote on all its chords with might,
Smote the chord of Self, which, trembling,
Passed in music out of sight."

(Applause.)

All the tenderness and sympathy of her nature, royally dowered, had been poured without stint upon him. Now, alone with her children, she fronts the future and sees it black and forbidding. No pillar of fire leads the way to a promised land; no panacea for the deep pain she bears, penetrates the recesses of her being. Stricken and broken, when the bills of doctor and undertaker have been paid, she finds herself penniless. I see her leaving the home where they set up their household gods after the honeymoon, years ago; whose walls are vocal with the songs of sweet content and happiness, taking only a few relics of former days, with fresh griefs tugging at her heart. She yearns for her past, as she says, "good-bye," and turns the key in the lock for the last time. She moves into a tenement and begins her struggle for bread for herself and babes. Through the weary procession of the years the tragedy of her life wears on; the roses fade from her cheeks; the light of hope dies out of her eyes; the gray creeps into the dark brown of her hair; with independence gone and all the spring, and joy, and ecstasy sapped from her life, she drifts toward a place amongst that host to whom life has become a great vacancy, and death a hoped-for relief. But worse, far worse than sights like this have I seen. A royal and splendid woman gave her life in loyal self-surrender to her chosen mate. How marvelously she loved him; how every tendril of her heart thrilled at his touch and throbbed when he spoke. She murmured not that the word "obey" was woven into the marriage service, for her joy was found in obeying his desire. She would have walked through hell singing and unshod for his sake. Through throes worse than Crucifixion pain she passed to give him his boy. If need be she would have plucked her heart from her bosom, or given her body for a stepping stone for him. Against all others she locked her heart and gave him the key. When their happiness was at the full, and life was touching its meridian of blessing, he died. As she knelt by his cold form she prayed she might go with him. Dying a thousand deaths would have been joy to what she had to endure. Then slowly out of her grief, as from the stormy sea, rose the face of her boy, and his, and she said: "For his dear sake I must live

and be brave." The violence of her sorrow passed, and stern-faced Necessity let slip the fanged and howling wolf upon her. She knew hunger; she grew shabby; her beauty brought temptation to her side, with soft whispers of plenty and ease. She fought her fight alone; many a night her pillow was wet with tears of woe and loneliness; many a day she walked the floor, crying, "O, God, what shall I do? Help me, help me, I am so weak." Ever howled the wolf; ever insistent spake the tempter's voice, and then, pressed by poverty, I saw her yield, joining that stained and scented sisterhood of scarlet, who, with rustle of silk, odorous with musk, and the jingle of bangles, play with human destinies in the eternal twilight of a degrading environment. All the aspirations of her purity and womanhood were trampled in the mire; respectability drew its robes aside when it passed her in the street; society branded her as an outcast; her unfallen sisters poured their pitiless scorn upon her. Sometimes she struggled to escape her shame, but ten thousand hands pushed her back toward the bottomless pit of infamy. At length the remnants of hope and the longing for a chance to live a womanly life were consumed by the cannibalism of a civilization that has only half learned the alphabet of Christianity. She became a vagabond in the streets, despised and reviled even by those who bought her smiles. So I saw her, ever sliding slowly down the slimed and slippery slopes at whose bottom is a blackness of darkness into which only the eye of God can see. Such are the victories of the grave. Out of such scenes comes the sting of Death! These are the social curses that cry out for a cure of the cause; these are the nightshade and the Upas growth, whose deadly shadows make horrible the aftermath of life's end. (Great applause.)

But, tell me, you who have lived for many years and have looked long upon the play and passion, the ruin and wreck of human lives, did you ever see such broken homes and blighted hearts when life insurance had a chance to fulfill its high and holy mission? (Great applause.)

Oh, my brethren, what a business is ours, and to what high calling have we been commissioned! It is like a new chemic force that transmutes into precious metal whatever it touches. A foremost factor in social progress, it climaxes the spirit of commercial co-operation, a stranger in the haunts of vice and sin, it is a welcome guest when man has risen into an atmosphere where truth is felt and reason is free. Its mighty motives have blessed the State, transforming its citizenship by planting new incentives of thrift; ever a foe to poverty, it is destroying the causes of pauperism and crime; with the church and the school it completes that Trinity of impersonal

forces which save the State, guard the home, and keep sound the core of civilization, by uplifting, strengthening, and ennobling the energies of man. With a faith fine as ever led a Crusader against Saracen to rescue from the power of the Infidel the dwelling of the Deified dead, it has unsheathed its sword to rescue and save the home of the living; it has been a support and a shield to woman in her hours of woe and weakness, making her extremity its opportunity; about childhood, stretching out its hands of need and expectation, it has thrown its sheltering arms; the strong have trusted it when aglow with health and happiness, laying upon its greatness their burdens of anxious thought concerning tomorrow's necessities; the sick have seen its pledges shine in letters of living light, and the wrecking wrong of worry was not added to their disease; the dying touch their lips to it as to the water of life, and confidently believing in its power to care for the love left behind, have calmly crossed the Charon to the land where hopes and dreams come true. Its roots reach deeper into human life than thought can know or fancy can foretell. It matures the fruit of love and unselfishness, and through the gathered years that are to come, it is to work with widening sweep and scope, broadening and bettering the children of our insured. Only the Judgment Day can tell how great is to be the blessing borne to children born centuries hence through the transmitting influences whose beginnings are in the contracts placed today. Has not such a business a clear right to sing: "Master of human destiny am I?" Dares any other business given under Heaven among men challenge its title to be called "Best?" (Applause.)

Do you remember the legend of Opher, that giant in stature and strength, who, resolved that he would serve only the strongest, left his feudal over-lord to stand with the soldiery of the Provincial Governor, then hearing that the Emperor was stronger and higher than the Governor, he sought service in his palace. Here he lived content and happy, until he happened to hear the Emperor say he feared the devil. Then Opher left his imperial master, and after a short search found Satan and followed him. Passing from one city to another one day, they came to a wayside shrine, above which gleamed a cross. Satan, seeing it, leaped from the road over a hedge and started to flee across a field. Opher fast following and overtaking, asked him why he seemed frightened at the shrine and cross, and to his surprise was told by the devil that he feared Him whose symbol he had seen, for He was stronger than all the infernal hosts combined. "Stronger," quoth Opher. "Yea, and better," replied Satan. "Then," said Opher, "Goodby, I will find and follow Him." Then far and wide he sought for

the master of his desire, and eagerly went from place to place, asking of all whom he met: "Know ye where I can find the strongest and best?" Many laughed, others mocked, more sadly confessed they could not tell, until, despairing, Opher met an aged hermit, who, far from the strifes of busy men had found and walked the way of wisdom, and when he heard the oft-repeated question of Opher, he answered: "Yea, my son; go help they fellow men, and thou shalt find Him whom thou seekest." Then was the giant sad, for he knew not how to serve his fellows save by skill and strength, but hearing of a dangerous ferry in the mountains where men must cross, and so many ferrymen had lost their lives that none dared take the place, he went and offered himself to the dangerous duty, and there alone by the mountain stream he dwelt in peace, save for his deep and growing desire to see and serve the strongest and the best. One night a storm broke upon the hills in awful fury. The blinding lightnings zig-zagged across the skies, and Heaven's artillery of thunder crashed their diapason through the darkness. The sheeted rain swept down the sides of deep declivities and swelled the singing stream into a torrent thronged with tumbling flood. Within his home, built high above the river bank, Opher lay listening to the roar without. Sounds of storm he cared not for, and, though the wind, like some incarnate Titan terror, shook his hut and swung its lash of rain across its sheltering sides, he dreamed and smiled, for he was safe and warm and dry. Then, through the clashing of the elements he seemed to hear a feeble knock, as from a tiny hand, upon the door. He listened; again the knock. Rising, he unlatched the door, and into the room stepped a child, sweet faced, but drenched and dripping from the storm. "Come in, child, and stay with me," cried Opher, "Why are you out in this terrible night?" "I cannot stay with you, Opher, but you must go and ferry me across the river." "I cannot," said stout Opher; "no man nor boat can cross the stream tonight; it were death to try. Stay here and sleep with me, and when the storm is passed I will ferry you across." "I cannot stay, and you must go," the child replied. "If you would see the strongest and best at last, come quickly, and follow me." And Opher went. The child's appeal probed deep beneath his fears. Down to the river's marge he walked and launched his boat upon the raging flood. Then, like an angry lion leaped the winds about him, swirling his frail bark midstream, where the tossing torrent, like fierce beasts of prey in furious mood, hurled at him its maddened power. He bent his broad back to the task and stretched his muscles until they threw the tough flesh taut. More than he did in that dark hour of stress and danger, no child of man could ever do, yet

little gained he towards the beckoning shore. At last, almost exhausted, the goal was reached, and beaching his boat, he lifted the child and stepped upon the solid earth, then swooned into unconsciousness. Soon he awoke; the storm had passed. At his feet the river, swollen and terrible no longer, flowed softly down the valley, murmuring its sweet and sibilant lullaby; the tender skies bent down, and from their distant spaces the stars rained their fires; overhead the branches of the trees, stirred by a fragrant breath of night, waved welcome to his wondering eyes; and, lo! above him towered a Kingly Form, a crown with piercing points of thorns sat on His brow. Beneath it smiled the shining face of the Child he had borne in his arms that night, and from His lips, curved with an infinite gentleness, he heard a voice saying to him: "Rise, Opher; henceforth thou shalt be called Christopher, for in risking thy life at the call of a child thou hast served and found the Strongest and the Best."

The search and the service of Opher is the duty and the doing of the business, some of whose claims to the title of "Best" I have brought to you tonight. (Applause.)

The Toastmaster—We have all enjoyed a most delightful evening. That you may all participate in expressing your thanks to those who have given us this enjoyment, I ask that you do so by a rising vote.

The banqueters responded to Mr. Register's request by rising, and the proceedings were then brought to a close.

CONSTITUTION AND BY-LAWS

OF THE

National Association of Life Underwriters.

ADOPTED JUNE 18, 1890.

REVISED ON FOLLOWING DATES: SEPT. 22, 1892, SEPT. 8, 1893, SEPT. 16, 1897, JULY 14, 1899, SEPT. 12, 1901, OCT. 15, 1902, OCT. 15, 1903, OCT. 13, 1904.

CONSTITUTION.

ARTICLE I.—NAME.

This organization shall be called the National Association of Life Underwriters.

ARTICLE II.—OBJECT.

The object of this association shall be to advance the best interest of the cause of true life insurance throughout the country.

ARTICLE III.—MEETINGS.

The association shall meet annually, each local association being entitled to five delegates and one additional delegate for every ten active members in excess of twenty-five.

In case of vacancies in any delegation, such vacancies may be filled by substitution, provided at least one delegate is present who is a member of the association which he represents and in which such vacancies occur, and such member or members shall have power to fill vacancies in such delegations.

The presence of delegates from one-half of the associations composing the National Association shall constitute a quorum for the transaction of any business at any meeting.

ARTICLE IV.—OFFICERS.

The officers of this association shall consist of a president, three vice-presidents, secretary and treasurer, and there shall also be an executive committee, consisting of one member from each local association in good standing. Each officer shall be elected by ballot, to hold office for one year, or until his successor is elected. At the next election to fill the vacancies in the executive committee (the National Association now

consisting of thirty-four local associations) twenty-four members shall be elected, six members for a term of one year, six members for a term of two years, twelve members for a term of three years. Each year thereafter successors shall be elected to fill vacancies to be determined as follows: One-third of the total membership, representing all the associations comprising the National Association, for three years; one-third, less the number already members, whose term of office expires two years thereafter, for a term of two years; one-third, less the number already members, whose term of office expires one year thereafter, for one year. A remainder of one over even thirds shall be elected for three years; a remainder of two shall be elected one each for three and two years respectively, The president, vice-president, secretary and treasurer and ex-presidents shall be members *ex-officio* of the executive committee with the right to vote. The secretary of the association shall be secretary of the executive committee.

No person shall be eligible to office except an active member of the association to which he belongs, and which is represented at the annual meeting, and except, also, that he be an agent, manager of agencies, or superintendent of agents of a regular legal reserve, level premium company.

Any officer of the association or member of the executive committee shall be disqualified for his position if he ceases to be a member in good standing of the local association of which he was a member at the time of his election, or in case his local association shall cease to be a member of the National Association.

Any new association joining during the year shall be entitled to representation on the executive committee until the next annual meeting.

Article V.—Duties.

The duties of the president, vice-presidents, secretary, and treasurer shall be the same as are usual in similar organizations.

The executive committee shall first consider all business presented and shall report upon same, and, unless by a vote of the association, all propositions, resolutions, and other business relating to future action of the association shall be first referred to the executive committee without debate.

Article VI.—Time and Place of Meeting.

At every annual meeting the time and place of the next succeeding annual meeting shall be decided by ballot.

Article VII.—Special Meetings.

The executive committee shall have power to call a special meeting of the association whenever in its judgment it may be deemed necessary.

Article VIII.—Executive Committee.

The executive committee is charged with the duty of preparing the business and arranging for the sessions of the annual meetings, and said committee shall meet at least four months before the regular annual convention. The presence of not less than five members of the committee shall constitute a quorum for the transaction of business at any meeting.

Article IX.—Membership.

Any life insurance or life underwriters' association now organized, and composed of representatives of regular life insurance companies, shall be entitled to membership, but any such association hereafter organized, shall submit copies of its constitution and by-laws to the executive committee, and, if approved by said committee, it shall be admitted to membership upon application and payment of annual dues, and subscribing to the constitution and by-laws of this association.

Any life underwriters' association now organized or hereafter organized, whose membership is composed of women who are representatives of regular legal reserve life insurance companies, shall be entitled to auxiliary membership with all the privileges of the association, except the right to vote and hold office; but such association shall first submit copies of its constitution and by-laws to the executive committee; and if approved by said committee, it shall be admitted to such membership upon application and subscribing to the constitution and by-laws of this association.

Article X.—Honorary Membership of C. M. Ransom.

The constitution was amended June 18, 1890, so as to permit the election of Chauncey M. Ransom to honorary membership.

BY-LAWS.

Article I.—Vacancies.

In the case of a vacancy in the office of president, the vice-presidents, in the order elected, shall act as president, to serve until the succeeding annual election. Other vacancies may be filled by the executive committee.

Article II.—Dues.

Each local association shall pay into the treasury of this association as yearly dues, in advance, the sum of ten dollars, and one dollar additional for each active member belonging to said association on June 1st of each year in excess of ten. Such payments shall be made on or before the 18th day of June of each year, or within thirty days thereafter, and failure to pay such dues within the time named shall work a forfeiture of membership. Provided that any local association

joining the National Association within the fiscal year shall pay the proportionate part of the specified dues for that year. And the treasurer is hereby authorized to adjust all pending accounts with the association on this basis.

The president, secretary, treasurer and chairman of the executive committee are authorized for good and sufficient cause to remit the annual dues of any local association.

Article III.—Expenditures.

Funds paid to the treasurer shall be used only for necessary expenses, duly authorized by vote of the executive committee.

Article IV.—Delegates and Credentials.

Delegates to this association shall be selected from the active members of each association, and be either agents, manager of agencies, or superintendent of agents of a regular legal reserve, level premium company, and be accredited by credentials signed by the president and secretary of their respective associations upon the official form of this association.

The ex-presidents of the National Association shall be delegates-at-large at all annual conventions, with the privilege of the floor; and shall also have the right to vote with the delegates of their respective associations, provided such associations are members of the national body.

Article V.—Voting.

All questions, when demanded by the delegates present from at least two associations, shall be decided by roll call of the yeas and nays, and each association shall vote as a unit and be entitled to one vote only.

Article VI.—Order of Business.

1. Called to order by president. (Prayer.)
2. Roll call.
3. President's address.
4. Reading minutes of previous meeting.
5. Report and recommendations of executive committee.
6. Treasurer's report.
7. New business.
8. Election and installation of officers.
9. Unfinished business.
10. Selection of time and place for next annual meeting.

Article VII.—Amendments.

This constitution and by-laws shall not be amended except at an annual meeting, and then only by a two-thirds vote of the associations present and voting.